

DI – WHY ?



Assomption Vie

# DISABILITY INSURANCE THAT FITS YOUR CLIENTS' NEEDS!

- Combine DI based on loans with DI based on income, under one policy
- Protect a variety of loans – not just mortgages!
- Protect loans taken after policy is issued



# AVAILABLE WITH THESE PRODUCTS

TERM PRODUCTS

WHOLE LIFE PRODUCTS

Flex**TERM**

Par**+**Plus

Flex**Options**

**essential**  
WHOLE LIFE



# FOR CLIENTS AGED 18 TO 60



**ON AVERAGE, 1 OUT OF 3 PEOPLE  
WILL BE DISABLED FOR 90 DAYS OR MORE  
BEFORE THEY REACH THE AGE OF 65.**

- ✓ Provides for a monthly disability income benefit payment if the insured becomes totally disabled before the rider anniversary nearest the insured's 65th birthday.

Source: A Guide to Disability Insurance, CLHIA Publication (2018)



# BENEFIT IS RETROACTIVE TO THE 31<sup>ST</sup> DAY OF TOTAL DISABILITY

START  
YOUR CLAIM

90 DAY WAITING PERIOD

MAY 2019

JUNE 2019

JULY 2019

AUGUST 2019

INSURED TOTAL  
DISABILITY  
MAY 15TH

PAYMENT  
RETROACTIVE TO  
THE 31ST DAY  
JUNE 15TH

WAITING  
PERIOD ENDS  
AUGUST 15TH





# MORTGAGES & HOME EQUITY LINES OF CREDIT

# TYPES OF LOANS



## PERSONAL LOANS

- Automotive
- Student
- Boat
- Recreational vehicle
- Renovation

All types of terms are accepted





# CAR LEASES



# LINES OF CREDIT & CREDIT CARDS



## CANADIAN REPORT

12% have over \$25,000

14% have between  
**\$10,000** and **\$24,999**  
of consumer debt

Source: Ipsos Poll survey conducted December 10-14, 2017, published on [globalnews.ca](http://globalnews.ca) December 27, 2017



# LOANS OPENED **120** DAYS BEFORE THE DISABILITY START DATE

## Scenario 1

POLICY ISSUED WITH DI RIDER • JUNE 15, 2018

PURCHASE A CAR • SEPTEMBER 15, 2018

TOTALLY DISABLED • FEBRUARY 15, 2019 (150 DAYS AFTER LOAN)

**ELIGIBLE FOR DISABILITY BENEFIT**

## Scenario 2

POLICY ISSUED WITH DI RIDER • JUNE 15, 2018

PURCHASE A CAR • SEPTEMBER 15, 2018

TOTALLY DISABLED • DECEMBER 15, 2019 (90 DAYS AFTER LOAN)

**NOT ELIGIBLE FOR DISABILITY BENEFIT**



# DISABILITY BENEFIT

**1.5%** of the sum insured without exceeding  
**\$3,500 per month** of each type of disability rider to a  
combined maximum of **\$5,000 per month**



# COMBINING DISABILITY RIDERS

## SCENARIO 1

### POLICY

Essential WL	\$30,000
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### RIDERS

FlexTerm T10	\$400,000
DI loans	\$3,500 per month
DI income	\$1,500 per month

The combined maximum is \$5,000 without exceeding \$3,500 per type of disability rider.



# COMBINING DISABILITY RIDERS

## SCENARIO 2

### POLICY

FlexTerm T10	\$100,000
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### RIDERS

FlexTerm T20	\$200,000
RI loans	\$2,700 per month
RI income	\$300

Combined maximum is \$3,000 based on 1.5% of \$200,000, while remaining above the minimum amount of \$300 per month.



WORK AN AVERAGE OF 20 HOURS  
PER WEEK DURING THE  
**PREVIOUS EIGHT MONTHS**





TOTAL HOURS WORKED  
FOR A PERIOD OF 32 WEEKS  
(8 MONTHS)



32



AVERAGE  
**(+/= 20)**





# FIRST YEAR COMMISSIONS

Male, non smoker, 40 years old  
\$450,000 FlexTerm (T25)  
\$367,41 FYC

MONTHLY DI \$1,000	MONTHLY DI \$2,000	MONTHLY DI \$3,000
<b>\$460.51</b>	<b>\$553.61</b>	<b>\$646.71</b>

FYC examples include both the FlexTerm policy and the added DI riders.



**WHAT MAKES US DIFFERENT?**

# ASSUMPTION LIFE OFFERS...

- Simplified issue up to \$1,500 per month, regardless of occupation
- A simple mortgage solutions that allows clients to maintain full ownership control without any beneficiary restrictions
- No exclusions for pre-existing conditions



# WHAT'S IN IT FOR THE CLIENT?

## Flexibility

- Can include loans taken after policy is issued

## Security

- Retroactive to the 31st day

## Simplicity

- One meeting for multiple types of coverage: life and disability insurance (other riders also available)



# WHAT'S IN IT FOR THE BROKER?

## Simple

- Features with less paperwork
- Same simple questionnaire

## Full solution for your client

- Bundling is a winning solution
- Mortgage solution is perfect for homebuyers



IF YOU'RE STILL THINKING...  
**WHY DI?**

EACH



SOMEONE IS INJURED  
IN AN AUTO ACCIDENT

EACH



SOMEONE IS  
INJURED AT WORK

EACH



SOMEONE IS  
INJURED IN  
ANOTHER TYPE  
OF ACCIDENT

Source: Disability Resource Center, DI Statistics (2018)



IN FACT, DISABILITY RESULTING FROM  
EITHER AN **ILLNESS** OR AN **INJURY** IS A  
FAR GREATER THREAT THAN MOST  
PEOPLE REALIZE.

For example, for a 32-year old, a serious disability (lasting three months or longer) is **6 times more likely than death**.  
Only **3%** of mortgage foreclosures are caused by death;  
**48%** are caused by disability.

Source: Disability Resource Center, DI Statistics (2018)





**THANK YOU!**