

Financial guidelines – life product only

Personal Insurance

	Guidelines														
Income Protection	<table border="1"> <thead> <tr> <th>Age</th> <th>Income Factor</th> </tr> </thead> <tbody> <tr> <td>18-30</td> <td>30x</td> </tr> <tr> <td>31-40</td> <td>25x</td> </tr> <tr> <td>41-50</td> <td>20x</td> </tr> <tr> <td>51-60</td> <td>15x</td> </tr> <tr> <td>61-65</td> <td>10x</td> </tr> <tr> <td>66-75</td> <td>5x</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Earned income only is considered excluding dividends, investments earnings and retirement income • Higher amounts could be allowed depending on Net Worth 	Age	Income Factor	18-30	30x	31-40	25x	41-50	20x	51-60	15x	61-65	10x	66-75	5x
Age	Income Factor														
18-30	30x														
31-40	25x														
41-50	20x														
51-60	15x														
61-65	10x														
66-75	5x														
Estate Conservation	<table border="1"> <thead> <tr> <th>Age</th> <th>Net Worth Factor</th> </tr> </thead> <tbody> <tr> <td>Up to 70 years old</td> <td>1.5x</td> </tr> <tr> <td>Above 70 years old</td> <td>1x</td> </tr> </tbody> </table>	Age	Net Worth Factor	Up to 70 years old	1.5x	Above 70 years old	1x								
Age	Net Worth Factor														
Up to 70 years old	1.5x														
Above 70 years old	1x														
Children (up to 17 years old)	<ul style="list-style-type: none"> • Up to 50% of total amount of life insurance in force on one of the parents (and not on total of both parents) to a maximum of \$500,000 • All children must be insured for same amount • For amounts exceeding \$500,000, a cover letter must be submitted to confirm purpose of insurance and family net worth. 														
Student (18 years old and above)	<ul style="list-style-type: none"> • Maximum \$500,000 • Individual consideration for higher amounts if studying at a graduate level (Master/PhD) 														
Non-Income Earning Spouse	<ul style="list-style-type: none"> • 50% to 100% of life insurance amount on income earning spouse • Maximum \$1,000,000 • Individual consideration for higher amounts with additional financial justification (spouse's income and family net worth) 														

Personal Insurance

Unemployed	<ul style="list-style-type: none">• Welfare: Maximum (for all insurance companies):<ul style="list-style-type: none">• \$100,000 of Term product• \$50,000 of Permanent product• Individual consideration for higher amount for cases of recent job loss (unemployment income) with details of previous occupation, usual income and type of work researched
Bankruptcy	<ul style="list-style-type: none">• If released: no restriction on the insurance amount• If not yet released: maximum \$100,000 (total insurance amount)• If multiple bankruptcies, life insured must be discharged for at least one year. After one year, no restriction if stable employment and good income
Charitable Donation	<ul style="list-style-type: none">• Cover letter providing justification of insurance amount, reason for donation and link with charity• Client's own insurance needs must be covered• Policy owner and beneficiary can be the charity but the premiums should be paid by the insured, not the charity

Business Insurance

Buy/Sell	<ul style="list-style-type: none">• Fair Market Value x % of company shares• Fair Market Value calculation: Average of Net Income x 10 + Business Net Worth x % of shares
Key Person	<ul style="list-style-type: none">• 5 to 10 times the annual income
Collateral Loan	<ul style="list-style-type: none">• Loan amount x % of shares*• Long-term loans will be considered• Coverage requested should not exceed loan amount <p>* Cover letter required if requesting higher share amount</p>