

# A PACKAGE DEAL IN ACTION

## Case Study



### Young couple

A young couple, both healthy 25-year-old non-smokers, are eager to start their new family in their new home. Their first concern is to ensure they have financial protection should the unexpected happen.



#### Assumptions

- **Short-term life insurance needs** covering mortgage and bank loans: \$300,000
- **Long-term life insurance needs** covering funeral costs and final expenses: \$50,000
- **Health needs** covering costs associated with a critical illness: \$25,000
- **Disability needs** covering their mortgage payments in case of disability: \$1,500/month
- Each client will have their own individual coverage on all selected plans
- **Budget** \$170 per month



#### Their Advisor Recommends

- ➔ **Solution 20®**: \$300,000 on each life
- ➔ **Solution 100®**: \$50,000 on each life
- ➔ **Empire Life CI Protect Plus® 75**: \$25,000 on each life
- ➔ **Return of Premium on Surrender or Maturity Benefit**: Added to each Empire Life CI Protect Plus 75 coverage
- ➔ **Empire Life Disability Credit Protect™ rider with a 24-month benefit period**: \$1,500/month maximum monthly benefit on each life
- ➔ **Total Initial Premium = \$174.98 per month**

	Male/25/Std NS	Female/25/Std NS	Monthly Cost
Solution 20* – \$300,000	\$15.93	\$10.80	\$26.73
Solution 100 – \$50,000	\$26.55	\$25.29	\$51.84
Empire Life CI Protect Plus 75 – \$25,000	\$14.65	\$13.82	\$28.47
Return of Premium on Surrender or Maturity Benefit	\$5.45	\$6.01	\$11.46
Empire Life Disability Credit Protect rider (24-month benefit period) \$1,500 maximum monthly benefit	\$23.63	\$28.35	\$51.98
Policy Fee	-	-	\$4.50
<b>Total Initial Monthly Premium</b>			<b>\$174.98</b>

\* Solution 20 figures reflect the initial monthly premium for the first 20 years only. Premiums increase on renewal.



## Continued Needs Option

After 20 years, both clients' long-term and health needs remain. If their long-term needs have grown, they can elect to convert any part of their \$300,000 of term coverage to permanent protection. Or, they may decide to terminate their term coverage and continue their current Solution 100, Empire Life Disability Credit Protect rider and Empire Life CI Protect Plus protection and policy premiums will reduce to \$148.25 per month.



## Exit Strategy Option

Reaching retirement, the clients may no longer need insurance protection but may need cash. If so, they could surrender their policy and "cash out". If they surrender the policy, they can get the available cash surrender value (CSV) in their Solution 100 plan and Return of Premium on Surrender or Maturity (ROPS/M) value in their CI Protect Plus coverage, if no claims occurred\*.

- Combined Guaranteed CSV
- Combined Guaranteed ROPS/M

### At age 65



### At age 75

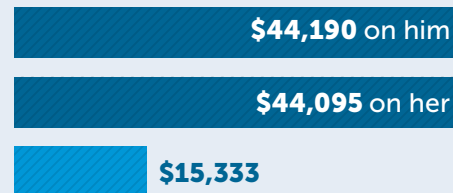


## No More Payment Option

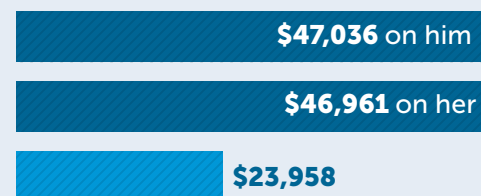
In retirement, if these clients decide they want to leave a legacy for their children or grandchildren, but don't want to pay any more insurance premiums, they can convert their Solution 100 coverages to paid-up life insurance. When their Empire Life Disability Credit Protect coverage expires at age 65, they can surrender their Empire Life CI Protect Plus coverages. If no critical illness claim is made, their paid-up life insurance coverage and the return of premium values will be as shown.

- Guaranteed Paid-Up Coverage
- Combined Guaranteed ROPS/M

### At age 65



### At age 75



\* Solution 100 cash surrender values start after the 10th year ROPS/M benefit is available starting the later of the life insured's attained age 60 and the 15th policy anniversary. Limitations or exclusions may apply. Consult sample contract for more details.

Insurance premiums, cash surrender values, return of premium on surrender or maturity values and paid-up values are based on available rates as of January 9, 2024 for the age, sex, smoker status and rating of the lives insured and the plans and coverage amounts shown.

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