

Maximum monthly benefit calculator for Empire Life Disability Credit Protect rider



Use this simple tool to help determine the Empire Life Disability Credit Protect™ rider maximum monthly benefit a client may need.

The Empire Life Disability Credit Protect rider is designed to help cover monthly payments for eligible debts during the allowable benefit period if the life insured is unable to work due to a disability. **It is not a disability income replacement insurance product.**

The maximum monthly benefit amount is selected by the client and cannot be greater than the lesser of:
3.5% of the associated life insurance coverage and \$3,500.

Eligible debts to be covered by the rider (Single life only. For jointly coverages, each life insured can have an Empire Life Disability Credit Protect rider. Loans must be with an entity governed by federal or provincial legislation that is legally authorized to conduct business in Canada. Credit card balance is not considered an eligible debt)		Required monthly payments for eligible debts	
		Life Insured 1	Life Insured 2
1. Personal eligible debts (Note: Do not complete section 1 if there is a corporate owner)	Is this eligible debt covered by other disability credit insurance?	If the eligible debt is covered by other disability credit insurance, do <u>not</u> enter the amount here	
Residential mortgage (primary or secondary property)	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Residential property lease	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Line of credit	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Automobile loan/lease	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Student loan	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Other loan/lease	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Sub-total 1		\$	\$
2. Commercial eligible debts (Note: if the policy is owned by a corporation, the corporate owner must be the debtor/lessor and the life insured must control the corporation)	Is this eligible debt covered by other disability credit insurance?	If the eligible debt is covered by other disability credit insurance, do <u>not</u> enter the amount here	
Investment property mortgage	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Business loan / line of credit	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Business automobile lease	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Other loan	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Other loan	<input type="radio"/> yes <input type="radio"/> no	\$	\$
Sub-total 2		\$	\$
Total monthly payments for eligible debts to be covered (= Sub-total 1 + Sub-total 2)		\$ (A)	\$ (A)
Coverage amount for life insurance associated with the rider \$ <input type="text"/> x 3.5% = (Maximum available monthly benefit is 3.5% of the associated life insurance, up to \$3,500)		\$ (B)	\$ (B)
Enter Empire Life Disability Credit Protect rider maximum monthly benefit amount based on (A). Note: amount can't be greater than (B) or \$3,500)		\$	\$

The monthly benefit payment for a claim under the Empire Life Disability Credit Protect rider is the lesser of:

- the required monthly payment for eligible debts at claim time, and
- the maximum monthly benefit amount for the Empire Life Disability Credit Protect rider

It is essential for advisors to review the Empire Life Disability Credit Protect rider's maximum monthly benefit amount with their clients from time to time to ensure the amount continues to meet their client's needs after issue.

FOR DETAILS ON ELIGIBLE AND NON-ELIGIBLE DEBTS, REFER TO INFORMATION PROVIDED BELOW.

FOR OTHER DETAILS ABOUT EMPIRE LIFE DISABILITY CREDIT PROTECT, REFER TO THE POLICY PROVISIONS.

Eligible debts

Any of the following for which the Life Insured or, for corporately owned policies for which the corporation, is legally responsible as the borrower or co-borrower, lessee or co-lessee or tenant:

- loan with a Financial Institution (e.g. car, truck or motorcycle loan, boat or RV loan, student loan, loan for renovations);
- mortgage with a Financial Institution for a residential property;
- vehicle lease;
- residential property lease where the Life Insured is a tenant, provided the Life Insured does not have a mortgage or a home equity line of credit. The lease must be for a minimum of one year. The landlord cannot be, or be directly or indirectly controlled by, the Owner, the Life Insured or a relative or business associate of either;
- line of credit with a Financial Institution; and
- commercial loan with a Financial Institution where the borrower is a corporation that owns the contract and the Life Insured directly or indirectly controls the Owner;

The following are NOT considered eligible debts:

- loans or leases entered into within 120 days prior to the Onset of Disability;
- loans or leases entered into after the Onset of Disability;
- loans or leases covered under other disability insurance;
- loans or leases between individuals or persons that are related persons or otherwise not dealing at arm's length as those terms are defined in the Income Tax Act (R.S.C., 1985, c. 1 (5th Supp.)).
- credit card balances;
- commercial loans for buildings with seven units or more, including any unit in which the Life Insured or Owner or any shareholder of a corporate Owner is living;
- a living benefit advance or policy loan on a life insurance policy.

In addition to proof of disability, proof of loan/lease and their required monthly payments is mandatory when a claim is made:

- Proof of a loan includes a document from the lending institution indicating the borrower's name, issue date, payment amount, balance of the loan or line of credit and expected date when loan will be paid in full.
- Only loans for which the life insured or, for corporately owned policies, the corporate owner, is the borrower are eligible debts.
- In the case of a lease, proof includes a copy of the lease showing the tenant, the landlord, the amount of the rent and the expiry date of the lease.
- A loan for which the borrower is the corporate policy owner is eligible as long as the life insured controls the corporate owner.
- Only leases for which the life insured or, for corporately owned policies, the corporate owner, is the tenant are eligible debts.
- **Premiums will not be refunded for any period of time when there is no eligible debt or if the eligible debt is paid in full.**

This calculator is for illustrative purposes and provides general estimates only. Calculations are based on the information provided and do not take into consideration individual circumstances or other factors that may impact the results.

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