

CRITICAL ILLNESS INSURANCE
TRANSITION

Who looks out for your financial health?



**A partner
you can trust.**

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INSURANCE AND FINANCIAL SERVICES INC.

The origin of critical illness insurance





Critical illness insurance saw the light of day in South Africa at the beginning of the 80s. It was designed by a renowned heart surgeon, Marius Barnard, who based the product on his own experience.

During his career, Dr. Barnard noticed that patient recovery was primarily affected by financial worries that arose during convalescence, rather than medical complications.

Because of his beliefs and the obvious need for such insurance, the first critical illness insurance was marketed by a South African insurance company in 1983.

It was only a few years ago that critical illness insurance was introduced in a number of industrialized countries, such as the United Kingdom, Japan, Australia, the United States and, more recently, Canada. Since then, it has continued to gain in popularity.



**The statistics
speak for
themselves**

STATISTICS

Heart disease

- › 82% of victims survive their first heart attack.
- › One out of four Canadians will develop some form of heart disease over the course of their life.
- › One out of two heart attack victims is younger than age 65.

Stroke

- › 75% of victims survive a first stroke.
- › One person in 20 is at risk of suffering a stroke.
- › 50,000 Canadians suffer a stroke every year.

Cancer

- › One out of three people will develop cancer in their lifetime.
- › Three out of four families will be affected.
- › More than 70% of the costs linked to cancer are not covered by the provincial health insurance plan.

Critical illness financial coverage

The statistics speak for themselves. They reveal the fact that more and more Canadians, at even younger ages, will be confronted by a critical illness in their lifetime. Fortunately, statistics also show that progress in medical science and improvements in our lifestyle have helped people to survive these illnesses, and to live longer.

Sources: Canadian Cancer Society, Heart and Stroke Foundation of Canada

Critical illness: it could happen to you.

Being diagnosed with a critical illness is a devastating event, not just for you, but also for your spouse, your family and even your business partners.

A critical illness often requires you to leave your job to focus on getting well. Even though you may be experiencing a loss of income, bills and loans still have to be paid, not to mention the additional costs that go along with a critical illness (medication, special treatment, specialized equipment, home renovations, etc.). The financial burden can be worrisome, especially if you don't have any other source of income during your recovery period.

What if it happens?

Would you like to be able to work less and take the time you need to recover, without having the pressure of returning to work as soon as possible for financial reasons?

How you can face a critical illness without financial worries

To give you the peace of mind that your finances will remain healthy when your life is in transition between illness and recovery, we offer you Transition – a medical crisis recovery plan.

Transition provides you and your family with a cash benefit when you are diagnosed with a critical illness. It allows you to focus your energy on recovery and not worry about your finances.

Transition provides the payment of a lump-sum, from \$10,000 to \$2,000,000, at the end of a specific survival period for one of the critical illnesses or medical conditions covered in the contract.

In addition, the Transition benefit in no way affects your disability insurance benefits. It is paid on top of your other medical insurance plans. During this time of transition in your life, this plan minimizes the disruptions that you and your loved ones may experience. Transition fills the inevitable financial gap between your health plans and real life.

This benefit is tax-free and can be used as you wish, with no restrictions to:

- › Pay medical costs for specialized treatments abroad;
- › Provide you with home nursing care;
- › Enable your spouse to take a leave without pay to be by your side;
- › Pay for childcare expenses;
- › Reduce your financial obligations (pay down the mortgage or personal debts);
- › Adapt your home to accommodate your medical condition;
- › Preserve your retirement capital;
- › Etc.

PREVENTION + BENEFIT

Transition also provides for a Prevention + Benefit, equal to 10% of the amount of your protection (to a maximum of \$50,000) that covers medical conditions which are not life-threatening:

- › Coronary angioplasty (procedure to unblock heart vessels)

Cancers detected in early stages

- › Skin cancer (malignant melanoma in the dermis equal to or lower than a depth of 1.0 mm)
- › Breast cancer (ductal carcinoma in situ of the breast)
- › Stage A prostate cancer

When the diagnosis is more serious, your Transition coverage takes over and pays the benefit provided for in the contract.





ADDITIONAL OPTIONS to complete your coverage

- › If for any reason you have to terminate your coverage, the **Return of Premiums** rider provides for the refund of all paid premiums, according to the option you selected.
- › All premiums paid since the issue of your coverage will be refunded if you die when your coverage is still in effect, through the **Return of Premiums Upon Death** rider.
- › You can guarantee your current state of health, and therefore increase your coverage, in the future, without having to fulfil new medical requirements. The **Increased Benefit** rider is an important addition to coverage for children.
- › You have the possibility of adding coverage for your current and future children. They will be covered up to age 25 for an amount between \$2,000 and \$20,000.

Added value for shareholders



Protect the investment of your life: your company

Transition is also designed to protect business owners. In the event of critical illness, your business will receive the tax-free cash it needs to:

- › Recover lost income caused by your absence
- › Ensure the payment of key employee salaries
- › Provide you with an income during your recovery
- › Pay for non-covered medical fees, private care, etc.
- › Alleviate the concerns of lending institutions, creditors, suppliers, etc.

Whatever the situation, a benefit will be paid:

Critical Illness Benefit: ensures the payment of a lump-sum of up to \$2,000,000, at the end of a specific survival period for one of the illnesses or medical conditions covered by the contract.

Return of Premiums Benefit: provides for the refund of all premiums paid since the coverage was issued, if the insured person decides to terminate their coverage, according to the option selected.

Return of Premiums Upon Death Benefit: pays the beneficiary a refund of all premiums paid since the coverage was issued, should the insured die while the coverage is still in force.



More than 25 critical illnesses covered

- › Alzheimer's Disease
- › Aortic Surgery
- › Aplastic Anemia
- › Bacterial Meningitis
- › Benign Brain Tumour
- › Blindness
- › Cancer (life-threatening)
- › Coma
- › Coronary Artery Bypass Surgery
- › Deafness
- › Heart Attack (myocardial infarction)
- › Heart Valve Replacement
- › Kidney Failure
- › Loss of Independent Existence
- › Loss of Limbs (dismemberment)
- › Loss of Speech (muteness)
- › Major Organ Failure on Waiting List
- › Major Organ Transplant
- › Motor Neuron Disease
- › Multiple Sclerosis
- › Occupational Injury-HIV
- › Paralysis
- › Parkinson's Disease (primary idiopathic)
- › Severe Burns
- › Stroke (CVA)

Critical illness coverage also includes the following critical illnesses and medical conditions up to the insured's 25th birthday:

- › Cerebral Palsy
- › Congenital Heart Disease
- › Cystic Fibrosis
- › Muscular Dystrophy
- › Type 1 Diabetes (Mellitus)

A summary of your coverage





Transition critical illness insurance, to look out for your financial health

- › Complete coverage for 25 illnesses and medical conditions
- › A tax-free lump-sum benefit of up to \$2,000,000, to let you concentrate on getting well by making up for loss of income; to pay additional costs of non-covered medical fees; to offer your spouse leave without pay in order to stay by your side; to hire help at home; etc.
- › Partial benefit for non-life-threatening illness equivalent to 10% of your face amount
- › Return of Premiums option to recover all premiums paid if you didn't need to make a claim
- › Guaranteed premium coverage and guaranteed renewal for some plans regardless of your state of health
- › Etc.

Your financial coverage in case of critical illness plays a key role in any financial planning. It will support you during your transition toward a new lifestyle following a critical illness. Contact your advisor to find out more about this coverage.

This brochure is a summary. Refer to the contract in the event of litigation concerning one of the illnesses or conditions covered by this plan or for a complete description.

The elephant,
symbol of our 100 years
of strength and longevity.



**Because your health
and quality of life are
important to us!**

Contact your financial advisor for more information.



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