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TRANSITION
CRITICAL ILLNESS INSURANCE

**WHO HAS
AN INNOVATIVE
BUSINESS SOLUTION?**

A PARTNER YOU CAN TRUST.

 **INDUSTRIAL
ALLIANCE**
INSURANCE AND FINANCIAL SERVICES INC.

 **PACIFIC™**



SHARED OWNERSHIP INSURANCE

ADDED VALUE FOR THE SHAREHOLDER



A FEW FACTS...

LET'S GET TO THE POINT

Critical illness can strike anyone. However, a healthy lifestyle, combined with a balanced diet and physical activity, can increase your chances of staying healthy.

Nevertheless, the daily stress you undergo managing a business, combined with long work hours, place you in a higher risk category.

- › What would happen to your business if you had to suddenly leave for an indefinite period?
- › The financial impact could be substantial, possibly even disastrous. How would your creditors and clients react?
- › Would your company have enough cash to continue operating if you were no longer there? For how long?
- › If you were absent, would the business be able to pursue its growth, or even remain afloat?
- › Would the business be able to absorb the cost of hiring a replacement who has the same skills as you?

You can choose to ignore the facts and hope that nothing happens, or you can act immediately to ensure the security and survival of your business.

› Heart disease

One in four Canadians will develop some form of heart disease during their lives.

One in two heart attack victims is under age 65.

82% OF VICTIMS SURVIVE THEIR FIRST HEART ATTACK.

› Stroke

One in 20 people are at risk for stroke.

50,000 Canadians suffer from strokes each year.

75% OF VICTIMS SURVIVE THEIR FIRST STROKE.

› Cancer

One in three people will develop cancer during their lives.

Three out of four families will be affected.

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



HOW IT WORKS

- › Shared ownership insurance
- › Agreement between the stock company and the shareholder*

- 1 Purchase of a Transition policy¹
- 2 Designation of beneficiaries
- 3 Drafting of a shared ownership agreement²

DISTRIBUTION OF PREMIUMS

COMPANY	KEY PERSON
\$1,249 ³ (72%)	\$485 ³ (28%)
<div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">TRANSITION</div>	<div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">TRANSITION</div>
<ul style="list-style-type: none"> › Premiums for the critical illness benefit 	<ul style="list-style-type: none"> › Premiums for the Flexible Return of Premiums rider › Premiums for the Return of Premiums Upon Death rider

PAYMENT OF BENEFITS

WHEN A COVERED EVENT OCCURS, THE BENEFIT IS PAID TO:

COMPANY	KEY PERSON
<div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">TRANSITION</div>	<div style="border: 1px solid #ccc; padding: 2px; display: inline-block;">TRANSITION</div>
<ul style="list-style-type: none"> › Critical illness benefit <p>Tax-free</p>	<ul style="list-style-type: none"> › Flexible Return of Premiums benefit › Return of Premiums Upon Death benefit <p>Tax-free</p>

¹ By the company or key person

² This agreement must be drafted by the company's legal counsel

³ The proposed allocation refers to a Transition T100 contract with Flexible Return of Premiums rider

REGARDLESS OF THE SITUATION, A BENEFIT WILL BE PAID

CRITICAL ILLNESS BENEFIT Transition ensures the payment of a lump-sum amount (\$10,000 to \$2,000,000) 30 days after the diagnosis of one of the critical illnesses or medical conditions covered by the contract.

RETURN OF PREMIUMS UPON DEATH BENEFIT (optional) We guarantee the refund of all premiums paid since the policy was issued, should the insured key person die while the coverage is in force.

FLEXIBLE RETURN OF PREMIUMS BENEFIT The insured key person recovers up to 100% of the premiums paid (by the company and by the key person), according to the Flexible Return of Premiums option selected.

TRANSITION



**AN EFFICIENT
BUSINESS
SOLUTION
FOR EVERYONE!**



Protect the investment of your life: YOUR BUSINESS

TRANSITION financial coverage for critical illness could make all the difference. In the event of critical illness, your business will receive the tax-free cash it needs to:

- › Recover lost revenues caused by your temporary 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.

Take advantage of an added value option: THE FLEXIBLE REFUND OF PREMIUMS BENEFIT

By subscribing to **TRANSITION** critical illness coverage through a shared ownership agreement, premiums are advantageously allocated to the key person.

In addition, when the key person uses the Flexible Return of Premiums benefit, all paid premiums are refunded to the key person, tax free, regardless of their source.

*According to the selected plan and the duration of the contract