

Optional life insurance

Plan information					Life insurance calculator																																													
<p>Your family depends on you. Did you know that if you pass away your family needs approximately 60-70% of your annual income to maintain their current lifestyle?¹ Having sufficient life insurance will help ensure your family's financial future in case you're not here to provide for them. Without enough life insurance your family may have to drastically alter their current lifestyle.</p> <p>The tax-free payment from life insurance coverage can help protect your family's financial future by helping them pay expenses like:</p> <ul style="list-style-type: none"> • Funeral costs (the average is approximately \$10,000) • Final expenses, such as income tax • Outstanding debts and bill payments • Child care and post-secondary education costs • Replacing your lost income and work-related health benefits • Mortgage payments <p>Your family has greater control when financial options are available to them.</p>					<p>You may have life insurance under your employer's group benefit plan or from elsewhere. But what about your family's future financial needs? Complete the worksheet to figure out how much coverage you may really need.</p>																																													
					1. Estimate of the cost of final expenses (most funerals cost roughly \$10,000)	\$																																												
					+																																													
					2. How much would you need to pay off loans and debts (e.g. mortgage, credit cards, car loans, etc.)?	\$																																												
					=																																													
					Total needs (A)	\$																																												
					x																																													
<h3>Protection limit</h3> <p>You can buy up to \$300,000 of Optional Life Insurance in units of \$10,000.</p>					1. How much will your family need annually to maintain their current lifestyle (on average, 60-70% of your income is needed)? ¹	\$																																												
<h3>Key Benefits</h3> <p>Life insurance can help protect your family if you are no longer here and able to provide for them:</p> <ul style="list-style-type: none"> • Enjoy affordable group rates • Payment for life insurance is tax free • \$30,000 of coverage for you with no health questions asked or medical exam² 					2. How long do you think your family will need to rely on this income (estimate the number of years until your spouse retires)?	Years																																												
					+																																													
<h3>Cost</h3> <p>By choosing coverage through your group benefits plan, you can often get coverage for less than it would cost to buy on your own. Another advantage - if you apply within 31 days of your group benefits start date, you can get \$30,000 of pre-approved coverage with no health questions asked and no medical exam at enrolment. This offer is available to employees only. Your insurance payments will be deducted directly from your pay.</p>					3. If applicable, how much will be required for your children's future education (assuming a total of \$60,000 per child)?	\$																																												
					=																																													
					Total needs (B)	\$																																												
<h3>Monthly rates (monthly rates³ per unit of \$10,000)</h3> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Age band</th> <th colspan="2">Male</th> <th colspan="2">Female</th> </tr> <tr> <th>Non-smoker</th> <th>Smoker</th> <th>Non-smoker</th> <th>Smoker</th> </tr> </thead> <tbody> <tr> <td>Under 40</td> <td>\$0.49</td> <td>\$0.76</td> <td>\$0.27</td> <td>\$0.42</td> </tr> <tr> <td>40 - 44</td> <td>\$0.98</td> <td>\$1.50</td> <td>\$0.65</td> <td>\$1.00</td> </tr> <tr> <td>45 - 49</td> <td>\$1.69</td> <td>\$2.60</td> <td>\$0.98</td> <td>\$1.50</td> </tr> <tr> <td>50 - 54</td> <td>\$2.77</td> <td>\$4.27</td> <td>\$1.52</td> <td>\$2.34</td> </tr> <tr> <td>55 - 59</td> <td>\$4.78</td> <td>\$7.36</td> <td>\$2.67</td> <td>\$4.10</td> </tr> <tr> <td>60 - 64</td> <td>\$8.15</td> <td>\$12.54</td> <td>\$4.29</td> <td>\$6.61</td> </tr> <tr> <td>65 - 69</td> <td>\$13.46</td> <td>\$20.72</td> <td>\$6.89</td> <td>\$10.60</td> </tr> </tbody> </table>					Age band	Male		Female		Non-smoker	Smoker	Non-smoker	Smoker	Under 40	\$0.49	\$0.76	\$0.27	\$0.42	40 - 44	\$0.98	\$1.50	\$0.65	\$1.00	45 - 49	\$1.69	\$2.60	\$0.98	\$1.50	50 - 54	\$2.77	\$4.27	\$1.52	\$2.34	55 - 59	\$4.78	\$7.36	\$2.67	\$4.10	60 - 64	\$8.15	\$12.54	\$4.29	\$6.61	65 - 69	\$13.46	\$20.72	\$6.89	\$10.60	1. What is the total value of your savings and investments (e.g. mutual funds, RRSPs, GICs, and other investments)?	\$
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					=																																													
					Total needs (C)	\$																																												
					My results																																													
					(A) + (B) - (C)	\$																																												

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What if you can't work to pay for the coverage?

With Optional Life Insurance, you'll continue to be covered while you're on total disability and we'll waive your payments for that period of time. Please see your benefits booklet for the definition of total disability.

Protection you keep

If you ever leave your employer, you can keep the Optional Life Insurance coverage you had under your group benefits plan with Sun Life by asking your Benefits Administrator for a conversion form. You must contact Sun Life within 31 days from date of termination to obtain a quote.

Questions

For information regarding when your Optional Life Insurance coverage will end, what is not covered under this plan and other important details, please see your benefits booklet.

For questions about how this plan is administered, please contact Alberta Municipalities Employee Benefits at benefits@abmunis.ca.

¹ Statistics Canada, Survey of Household Spending, 2016 and Selected Income Characteristics of Census Families by Family Type, 2016.

² In the past if you applied for Optional Life Insurance through Sun Life Financial and were declined, you are eligible to re-apply for coverage however, proof of good health will be required for all amounts of coverage applied for.

³ Rates are reviewed every year, may change, and will increase as you move into the next age band. Premiums may be subject to applicable provincial tax.