

Why business owners should consider disability insurance

As a business owner, your income helps support your family's lifestyle and helps achieve many goals by paying expenses related to where you spend your time (home, business, cottage, vacations), how you support your dependents (groceries, education, recreation, care for an aging parent) and your ability to grow your assets (retirement savings, business profits).

However, if you were suddenly faced with a disability:

- Would worrying about your business affect your ability to recover?
- Who would pay your income and cover operating expenses?
- Who would reassure your creditors, suppliers and clients?
- What would be the long-term impact if you needed to liquidate some of your assets?

As part of an overall financial security plan, properly insuring your income and business expenses lays the groundwork to help ensure you receive an income, your business can continue to operate and assets can remain in place, even if a change in health prevents you from being able to work. It can also help ensure your business survives to be passed along to future generations.

When a disability strikes, your potential needs as a business owner are two-fold. You need an income and your business has an obligation to pay its bills. By discussing the benefits of insurance and reviewing what you currently have in place, you may discover there is a significant gap in your insurance coverage.

What are some concerns that you may have?

Before a claim

- Ensuring your coverage reflects your current income and expense levels?
- Premium rates increasing as you age?
- The insurance provider changing the terms and conditions of your coverage?
- A change in health that may make you ineligible for additional coverage?

During a claim

- Having to draw from business assets to maintain your standard of living?
- Losing your benefits if you have the capacity to work in another occupation?
- The impact of inflation on the benefits you are receiving?
- Losing your benefits if you return to work on a part-time basis?
- With respect to your business:
 - Covering fixed expenses which allow your business to continue to operate?
 - Avoiding a forced sale?
 - Having the ability to focus on personal recovery instead of business survival?
- Benefits continuing beyond age 65?

After a claim

- Losing the inflationary increases you may obtain while on claim?
- Easing the financial transition upon returning to work?

No claim

- The expense of premium should a disability never occur?

Protecting your income with an individual non-cancelable disability insurance plan can help address your concerns and ensure you're adequately protecting your ability to earn an income. A

plan can be tailored to suit your personal circumstances and needs, and can be one of your family's and your business's greatest financial assets.

The cost to insure a portion of your income is determined by plan design, along with many other factors.

The cost of inadequate coverage could be potentially devastating to your family, your business and the goals you want to achieve. Contact your financial professional today to find out more about insuring your ability to earn an income.

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