

# Meet Scott and Natalie

They want affordable insurance to cover their mortgage.

- 35-year-old male non-smoker and 30-year-old female non-smoker.
- Married and both employed.
- No children but plan to start a family in 5 years.



## CASE STUDY | FORESTERS TERM

### Their challenge

- About to purchase their first home in Toronto and take on a \$1,100,000 mortgage.
- Looking for affordable solutions that may help serve a similar need to mortgage insurance.

### Their solution

- They choose Foresters Financial™ Joint First-to-die Term 30<sup>1</sup> with a Term 20 Rider and a Term 10 Rider.
- Layering coverage will help save the couple money as premiums decrease every 10 years if the Term Riders are not renewed but there is always enough protection to cover the remaining mortgage.
- \$606,530 Joint First-to-die Term 30 with a \$323,470 Term 20 Rider and \$170,000 Term 10 Rider.
  - Monthly premium first 10 years: \$129.51
  - Monthly premium after 10 years: \$120.18
  - Monthly premium after 20 years \$93.69
- In addition to the full death benefit amount, built-in **Charitable Benefit provision<sup>2</sup> will pay an additional \$6,065** to a designated registered charity selected by Scott and Natalie.
- All or part of the term life insurance may be converted without evidence of insurability to a permanent insurance plan.
- Survivor Privilege provides the survivor the option to exercise the Conversion Privilege within 60 days of their partner's death **without providing evidence of insurability**. Foresters will provide interim life insurance coverage on the surviving insured person during those 60 days.



### Plus, access to Foresters unique member benefits

At Foresters, we offer your clients life insurance with a larger purpose: to enrich family and community well-being! **Members have access to a unique member benefits program<sup>3</sup> helping them feel empowered to live richer, fuller lives.**

With LawAssure,<sup>4</sup> Scott and Natalie has access to a complimentary online document preparation service to help prepare customizable wills.

Other member benefits include Foresters Go™<sup>5</sup>, Lifelong Learning,<sup>6</sup> Competitive Scholarship,<sup>7</sup> Community Grants of up to \$2,000 and many more.

### Find out more.

Contact your local Regional Vice President.

## Mortgage insurance vs. term life insurance

Close more term sales by highlighting the differences between mortgage insurance and term life insurance.

Mortgage insurance	Term life insurance
The lender is the beneficiary of the policy and decides how proceeds are spent.	Client determines beneficiaries.
Coverage declines as mortgage is paid down but rates do not decline.	Coverage remains the same, no matter the mortgage balance.
Must reapply for coverage if client moves, meaning their rates could increase.	If client moves, the insurance goes with them and rates don't increase.

The national average value of new mortgage loan in Canada in 2022 was \$364,000<sup>8</sup>

### Selling features of Foresters Term

- Competitively priced with some of the lowest rates in the industry.
- 3 terms available: 10, 20 or 30 years.
- Guaranteed death benefit amount and level premiums for the duration of the term.
- No initial paramedical or lab work required for face amounts to \$1 million up to age 50 and \$500,000 for ages 51-55.<sup>9</sup>
- Preferred underwriting for coverage of more than \$1,000,000.
- Convertible to whole life coverage until age nearest 71 without evidence of insurability.
- Affordable Joint First-to-die option.
- Built in Charity Benefit provision pays an additional 1% of the face amount, up to \$100,000, to a registered charitable organization as designated by the owner.
- Bereavement Assistance of up to \$1,000 for counselling expenses to help beneficiaries deal with their loss.
- Optional riders that can be added for extra protection.
- Easy-to-use e-app with e-signature and the option to deliver the insurance contract electronically or on paper.

**Visit our advisor portal, [Bluesky](#), to download marketing material including client brochures, worksheets, presentations and more.**

This case study is for illustrative purposes only and do not constitute financial advice, nor guarantee any outcomes. The depicted individuals, circumstances, and financial figures are fictional, and the information provided is subject to change without notice. Foresters and Canada Protection Plan (CPP) will not be liable for any consequences resulting from use of, or reliance on, this information.

<sup>1</sup> Underwritten by The Independent Order of Foresters.

<sup>2</sup> When a claim is paid to the beneficiaries, Foresters will pay the eligible designated charitable organization in the name of the insured. The designated charitable organization must be registered as a charity with the Canada Revenue Agency. The Charity Benefit will only be paid if an eligible beneficiary for the benefit has been designated, prior to, and is in effect on, the date of the death of the insured.

<sup>3</sup> Foresters member benefits are non-contractual, subject to benefit specific eligibility requirements, definitions and limitations and may be changed or cancelled without notice or are no longer available.

<sup>4</sup> LawAssure is provided by Epoq, Inc. Epoq is an independent service provider and is not affiliated with Foresters. Not available in Quebec, the Yukon, the Northwest Territories and Nunavut. LawAssure is not a legal service or legal advice and is not a substitute for legal advice or services of a lawyer.

<sup>5</sup> Foresters Go is provided by The Independent Order of Foresters and is operated by dacadoo AG.

<sup>6</sup> Foresters Lifelong Learning Program is administered and delivered by The Training Company Inc.

<sup>7</sup> This program is administered by International Scholarship and Tuition Services, Inc. Eligible members, their spouse, dependent children, and grandchildren may apply subject to the eligibility criteria. Please visit <https://www.foresters.com/en-ca/foresters-difference/scholarships> for further details.

<sup>8</sup> Source: Statista, Average value of new mortgage loans in Canada in 3rd quarter 2021 and 3rd quarter 2022, by metropolitan area, <https://www.statista.com/statistics/1202954/average-value-of-mortgage-loans-canada-by-metropolitan-area>

<sup>9</sup> Insurability depends on answers to medical and other application questions and underwriting searches and review.

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