

Who owns the life insurance on your business loans?

Protect your business



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Protect your business Not your lender

Your business has two main reasons to insure its loans.

- **Business protection** – What if something happened to you or to a key employee or partner? How long would your business continue? How would it handle the burden of debt?
- **Family protection** – You may have much of your family wealth tied up in your business. If so, you have a great need to ensure the business's liquidity

Individual life insurance, owned and paid for by your business, can address both situations.

Compared to lender's insurance, individual life insurance can give you more coverage, more control and more value.

Most important, individual life insurance doesn't insure your lender. It insures the business you're building. After all, you're the one making the loan payments.

The following pages show how individual life insurance compares to the loan insurance offered by many lending institutions.

Find the best way to protect your business loans

Many lending institutions offer loan insurance as part of their business loan package. The danger is, you may end up locked into insurance that does more to protect your lender than to protect your business.

Think how long you've worked to build your company's creditworthiness. It's worth taking some time to put in place the right business loan protection.

With many lending institutions' business loan insurance

Business loan insurance from lending institutions is generally non-convertible term life insurance.

There is no premium flexibility and there are no cash values. You cannot convert to permanent life insurance if your needs change.

Lender's insurance usually covers the exact balance of the loan. As the loan is paid down, your coverage decreases.

This means when the debt's paid off, you have no coverage at all.

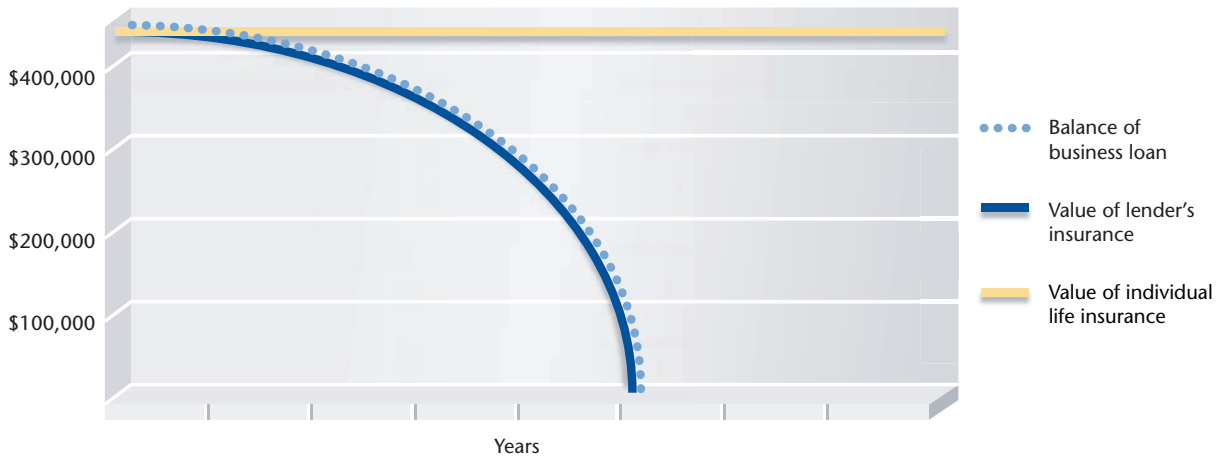
With individual life insurance

You can select a plan that meets your business's financial needs. For example, individual term life insurance is fully convertible to permanent life insurance.

You have some flexibility to adjust the premiums and coverage to match business conditions. Depending on the plan you select, your policy may also accumulate cash value.

Your coverage doesn't fluctuate with the balance of your loan. You decide when and if to reduce the policy's face amount.

This means more money can be available to your business at a time when it's needed most.



With many lending institutions' business loan insurance

With individual life insurance

It's about being covered

If you want to move the loan and insurance to another institution, you may have to re-qualify medically. This may leave you with fewer options if your health changes or you become uninsurable.

You can move the business loan to another lender, based on what's best for your business. You don't have to worry about jeopardizing your life insurance. If your health changes, you can keep your full death benefit and you do not have to re-qualify medically. You can also convert your term life insurance policy to a permanent policy available at that time.

It's about having control

Premiums typically vary from month to month, based on the average daily outstanding balance of the insured loan.

You choose the type of insurance that best suits your needs with premiums to suit your budget. We offer a range of term and permanent life insurance solutions. You can choose a policy that keeps premiums level for 10 years, 20 years or your lifetime.

Good health and sound lifestyle usually qualify you for better rates, so your business can receive good value for its premium.

Once the loan is paid off, no additional proceeds are available to address the other needs that arise when the insured person dies.

Subject to underwriting guidelines, you decide how much money the business needs to deal with the challenges it faces – which probably go far beyond just paying off a loan or line of credit.

Lender's insurance often does not allow you to customize the coverage to meet your needs.

You can customize the policy by selecting from many additional features and options. For example, one option waives the premiums if you become disabled.

Protect your business legacy

Individual life insurance doesn't insure your lender – it insures you and your business. You're the one who's worked so hard to fulfil your dreams.

Through individual life insurance, you can plan to meet more of your business needs in the event of death. This includes keeping your business legacy and your family legacy intact.

Individual life insurance gives you affordable, flexible coverage that you control. Talk to Milestone Wealth and Estate Planning Group Inc. to find the right life insurance protection for you and your business.

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