

## Helping You Make An Informed Decision

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This information should not be construed as, or substituted for, legal and accounting advice; we do not provide legal or accounting advice.

Any taxpayer considering an insurance plan, should consult with their accounting and legal advisors to provide information regarding tax and legal considerations, consequences, and options, along with any other relevant parties or advisors; every implementation is specific to a unique group of facts and circumstances which need to be considered prior to.

All assumptions will change over time, are hypothetical by nature, and should be discussed in that context. Interest rate assumptions do not guarantee future performance. Loans and additional collateral are subject to the lender's approval and terms.

The tax considerations and treatment in this plan is based on current tax law found in the Canada's Income Tax Act. Law changes over time, and the tax laws related to this plan could change; the tax treatment of illustrated values in this plan can not be guaranteed.

If there is any discrepancy between any illustration provided and the policy contract, the contract governs.

The Policy Owner is entitled to a ten-day "free look" period after acceptance of a life insurance policy. If the Policy owner is not satisfied for any reason what-so-ever they can return the policy to the insurance company for a full refund of all premiums paid.

Errors & Omissions Excepted.

**MLP Corporate Solutions Inc.** is an independent family owned life insurance firm located in Midland, Ontario. It facilitates the sale of life insurance products offered by all the major life insurance companies operating in Canada.

We specialize in the use of permanent life insurance plans.

We help individuals develop a well thought out life insurance plan and we help manage those plans and any existing plans over a lifetime.

We help the client's CPA/executor/family members during the claims process, and we deliver the claim cheque to the beneficiary.

We act as an educational resource for CPA's.

We help individuals make informed life insurance decisions.

**Aaron Ledlie, QAFP** is president and shareholder of MLP Corporate Solutions Inc. He began his career in the life insurance industry in April 2005.

Aaron is a Qualified Associate Financial Planner and member in good standing of FP Canada, and The Financial Advisors Association of Canada.

He is past president of Midland Rotary.

Aaron makes his home in Midland with his wife and two children.

**Raymond Matt, CLU, TEP, CHS** is the founder of MLP Corporate Solutions Inc. He began his career in the life insurance industry in June 1985.

Raymond holds these designations: Chartered Life Underwriter (CLU), Trust and Estate Practitioner (TEP) and Certified Health Insurance Specialist (CHS).

The CLU accreditation identifies an individual that has taken specialized courses in tax, law, and estate planning as it relates to the use, implementation, and management of permanent life insurance plans.

He is a member in good standing of the Society for Trust and Estate Practitioners, and The Financial Advisors Association of Canada (Advocis).

He is past president of the Simcoe-Muskoka Chapter of Advocis.

Raymond makes his home in Midland, Ontario with his wife.

ONTARIO REGULATION 347/04 requires that life insurance agents and brokers disclose to consumers, in writing, the insurance companies that they represent, the primary insurance company they deal with, how they are compensated, along with any additional compensation or incentives they may receive, and any potential conflicts of interest.

BMO Life is MLP Corporate Solutions Inc. primary insurance company. Through our Managing General Agency, IDC WorldSource Insurance Network Inc., we can provide insurance coverage through Assumption Life, Blue Cross, Canada Life, Canada Protection Plan, Desjardins Financial, Empire Life, Equitable Life, Foresters, Humania Assurance, Industrial Alliance, IA Excellence, ivari, La Capitale, Manulife, RBC Life, SSQ Standard Life, Sun Life and UL Mutual.

Should you choose to purchase an insurance product through us, we will be paid a sales commission by the company that issues the policy. We may receive renewal or service commissions if you keep the policy in force.

We may also be eligible for additional compensation, such as bonuses or non-monetary benefits (such as travel incentives or gifts), depending on factors such as the volume of business or persistency of business that we place with a particular company during a given time period.

We confirm that there are currently no conflicts of interest, furthermore we will notify you in writing if a conflict of interest arises as it may relate to any recommendations made regarding a transaction, prior to or at the time of making such recommendations.

The Province of Ontario, through the Financial Services Regulatory Authority (FSRA), license Raymond Matt, license number 93006348 and Aaron Ledlie, license number 06091383, as Life Insurance and Accident & Sickness Insurance Agents. As required under Regulation 347/04 we maintain the required errors and omissions insurance coverage.

As a condition of membership in our professional associations we are required to abide by the various codes of professional conduct, and we must complete a minimum of 30-hours of continued education each year.

Should you require additional information about our qualifications or the nature of our business relationships you can contact us at (705) 526-2807 or visit our website [www.csiplan.ca](http://www.csiplan.ca).

For general information about life and health insurance, you can visit the OmbudService for Life & Health Insurance (OLHI) at [www.olhia.ca](http://www.olhia.ca) or contact them by phone at (888) 295-8112 or, in Toronto, (416) 777-9002.

For information regarding Assuris, a not for profit organization that protects policyholders if their life insurance company should fail please visit their website at [www.assuris.ca](http://www.assuris.ca) or by phone at (866) 878-1225.

MLP Corporate Solutions Inc. (“CSI”) is committed to protecting your privacy.

This Privacy Statement informs you about our practices relating to the collection, use and disclosure of personal information that may be provided by you or through a third party. By entering into contracts with us, or by retaining our services, or by using our services to facilitate an insurance or investment transaction with a third party, you consent to the collection, use and disclosure of your personal information (as defined below) in accordance with the following terms and conditions.

This Privacy Statement also explains how you can contact us if you have a question about, want to make a change to, or delete, any personal information we may be holding about you. We strongly recommend that you take the time to read this Privacy Statement and retain it for your future reference.

### **Personal Information**

For the purpose of this Privacy Statement, “personal information” means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee or organization.

### **What Personal Information We Collect**

When you engage our services or enter into a contract with us, we will collect personal information from you or a third party that we require in order to provide you with the requested service(s). The type of personal information we collect will depend on the nature of the requested service(s), but may include at least some of the following:

- Contact information (such as name, address, social insurance number, e-mail address, and telephone number);
- Proof of identity and citizenship (such as signature or driver’s license number);
- Present Employer information (including duration of service or tenancy with the above);
- Medical and lifestyle information;
- Financial information (such as bank and investment account information, salary information, financial statements, tax returns and insurance coverage);
- Demographic information (such as age, occupation, and marital status); and
- In some circumstances voice recorded conversations to assure accuracy of the requested direction and/or execution as it relates to the service(s) requested.

## **How We Use Your Personal Information**

We use your personal information to:

- Confirm your identity;
- Determine your eligibility or need for insurance and financial products;
- Determine your creditworthiness for the financial and insurances products and services you requested;
- Meet the regulatory and contractual requirements relating to the services and products provided to you;
- Provide you with timely and reliable services and do all things necessary to administer those services;
- Communicate with third parties in order to assess your insurance and investment needs and requirements to effectively render our services;
- Bill you for our services rendered;
- Collect outstanding debts;
- Develop and maintain our relationship with you: and
- Communicate with you.

## **When We Disclose Your Personal Information**

We may share personal information with the third parties engaged to assist us in providing services to you or to carry out one or more of the purposes described above. These other service providers are prohibited from using your personal information for any purpose other than to provide this assistance and are required to protect personal information disclosed by us and to comply with the general privacy principals described in this Privacy Statement.

We may also disclose your personal information to third parties, such as those described above, as may be required to carry out the requested services. We disclose your personal information to such parties on an “as needed” basis only.

We reserve the right to disclose personal information to a third party if a law regulation, search warrant, subpoena or court order legally requires or authorizes us to do so.

We also reserve the right the disclose and/or transfer personal information to a third party in the event of a proposed or actual purchase, sale, lease, merger, amalgamation or any other type of acquisition, disposal of all or any portion of our company or of any of the business or assets of our company in order for you to continue to receive the same services from a third party.

## **Knowledge and Consent**

We collect personal information about you only when you voluntarily provide it. Typically, we will seek consent for the use or disclosure of your personal information at the time you retain us. In certain circumstances, consent may be sought after the information has been collected but before use (for example, when we want to use information for a purpose not covered by your initial consent).

Depending on the nature of the services requested, it may also be necessary for us to collect personal information about you from a third party (such as a bank, employer, or financial consultant). We obtain your consent to this collection at the time you contract with us.

You may withdraw consent at any time, subject to contractual restrictions and reasonable notice. If you wish to withdraw your consent at any time, please contact Raymond Matt, our company's Privacy Officer, in the manner set out below. We will inform you of the implications of withdrawing consent.

We will not, as a condition of the supply of our service, require you to consent to the collection, use or disclosure of information beyond that required to fulfill the purposes for which the information is being provided.

## **Use for Information Purposes**

We may also use your personal information to send you information from time to time about developments or issues that we think may be of interest to you. Should you decide at any time that you no longer wish to receive this information, please let us know and we will be pleased to remove you from our contact list.

## **How We Protect Your Personal Information**

We make all commercially reasonable efforts to ensure that personal information collected from you is protected against loss and unauthorized access. This protection applies in relation to information stored in both electronic and hard copy form. Access to your personal information is restricted to selected employees. In addition, CSI employs general accepted information security techniques, such as firewalls and access control procedures to protect personal information against loss and unauthorized access.

Unless we need to share your personal information as part of our services, all information you give us will be kept strictly confidential. You authorize us to send your correspondence, documents and other information related to your relationship with CSI through the use of the internet, particularly through e-mail, in unencrypted condition and without any guarantee of security or protection from interception by a third party.



### **Retention of Your Personal Information**

We retain your personal information for as long as necessary to fulfill the purpose(s) for which it was collected and to comply with applicable laws, including those requirements of the Canada Revenue Agency.

### **Changes to this Privacy Statement**

CSI reserves the right to modify this Privacy Statement at any time without notice. The Privacy Statement available at our head office at any time or from time to time shall be deemed to be the Privacy Statement then in effect. You may request a copy of our Privacy Statement at any time by contacting us as set out below.

### **Correcting or Updating Your Information**

You can help us maintain the accuracy of your personal information by notifying us of any changes to this information. You may contact CSI in any one of the following ways set out below to access, or correct, or update your personal information.

### **Contacting Us**

If you have questions about our Privacy Statement or if you have reason to believe that CSI may have failed to adhere to this Privacy Statement, please contact our Privacy Officer.

Raymond Matt  
MLP Corporate Solutions Inc.  
543 Yonge Street Midland, ON L4R 2C6  
Email: [raymond@csiplan.ca](mailto:raymond@csiplan.ca)  
Mobile: (416) 452-2334  
Web: [www.csiplan.ca](http://www.csiplan.ca)

The underwriting process for life insurance generally takes about 6-weeks from application to a decision. It has three components.

The first component is medical health underwriting, which considers the life insured's current and past medical history. An attending physician's statement (APS) from the life insured's primary health care provider will confirm past medical health history. Family history may also be reviewed.

The second component is lifestyle underwriting, which considers risk factors associated with certain activities such as alcohol and tobacco consumption as well as travel, sports, and hobbies.

The third component is financial underwriting or insurable interest. An insurance company does not want to create a 'windfall' for a beneficiary. They will confirm that the amount of insurance coverage is in line with the individual's current income, net worth, and other obligations. Third party verification may also be required from an accountant, lawyer, or banker.

The underwriting process starts by completing an insurance application with the owner/life insured. By completing an application, you are not obligated to purchase life insurance.

Underwriting requirements are based on the individual's age and the amount of insurance coverage. All requirements are arranged by us or the insurance company and all costs are paid by the insurance company.

Typical underwriting requirements will include a telephone interview, a blood profile, and urine (HIV) test. Other tests may be required. An appointment to complete these requirements will be at a place and time of the individual's choosing.

Once all the underwriting requirements are received and reviewed by the insurance company underwriter one of three decisions will be made: an offer of insurance, or a postponement, or a decline to offer. We will notify you of the insurance company's decision. You can request that the information gathered and the reasoning behind a decision be sent to your healthcare provider.

If an offer of life insurance is made you are not obligated to accept it.

The insurance will come into force when you accept the policy contract and pay the required premium. You will have a ten-day "free look" period after you accept the policy. If you are not satisfied for any reason what-so-ever you can return the policy to the insurance company for a full refund of all premiums paid. We will assist you in this process.

If the life insured's health, occupation, country of residence or smoking status has changed since the date of the application we cannot accept payment and deliver the policy.

**If there is any discrepancy between any document provided and the policy contract, the contract governs.**

The information provided here is general in nature and it is not intended to be an extensive review of a specific policy. It is provided to help a consumer formulate questions. We are available to answer any questions or concerns related to your decision to purchase a life insurance policy.

Once approved for a life insurance, and upon acceptance of the policy, the policy owner will have a **10-day right to review the policy** and if not satisfied, for any reason, it can be returned for a full refund of all premiums paid. We will assist in that process.

### Permanent Life Insurance

A universal life or UL policy is a permanent life insurance plan, it has various features that require ongoing management. The cost of insurance can be yearly renewable term known as YRT, or fixed level cost to age 100 or a combination of the two. If YRT cost of insurance is selected greater attention to the policy's investment performance and premium payments is required. Adjustments to the insurance policy death benefit may be required.

UL has an adjustable premium amount, set by the insurance company at issue, based on the rules that govern tax-exempt life insurance. The policy owner will be able to allocate any excess premiums, after policy costs, to investment options offered on the policy platform. The insurance company performs an exempt test each policy year, which may result in an increase in the death benefit. These exempt test increases will be reversed when they are no longer required. The policy owner will be notified of these changes.

Most UL plans have a contractual Surrender Charge period. For YRT cost of insurance plans, it is generally 9-years and for guaranteed level cost to age 100 plans it is 5-years. The Surrender Charge will be deducted from the Fund Value if the policy is cancelled or if the death benefit is reduced during the Surrender Charge period. A Surrender Charge cannot result in a balance owing to the insurance company. No Surrender Charge is applied in the event of death. Cash withdrawals during the Surrender Charge period will be subject to a contractual withdrawal fee generally 5% on a decreasing basis.

UL policies have other fees in addition to the cost of insurance and administration fee. In Ontario, there is a 2% premium tax remitted by the insurance company to the Province. Generally, there is a 2% management fee for certain investments offered on the policy platform. In general terms the fee breaks down as follows:

- .375% – Federal Investment Income Tax (IIT),
- .375% – Asset based compensation paid to the broker
- .500% – Compensation recovery to cover commission amortization costs
- .750% – Administration, contingency, investments expenses, profit, and capital costs

After the 5<sup>th</sup> policy year .025% is credited back to the policy as Cumulative Fund Bonus.

UL policies generally offer a Guaranteed Investment Account (GIA) that provides a minimum return. The guarantee is usually formulaic relative to Government of Canada 10-year bond rates.

Equity investments offered will mirror the performance of a specific mutual fund, exchange-traded fund (ETF's), or an index chosen by the policy owner. The policy owner is not purchasing, nor do they hold, any legal interest in any security. The insurance company holds the securities in investment pools and credits a return, less fees, in the form of interest to the policy.

The policy owner can choose multiple investment options within the policy and change them as desired. Generally, the fee is \$30.00 per change with the charge waived on the first four in a policy year. The insurance company generally reserves the right to delay transfers of more than \$200,000 for up to 30-days.

### **Temporary Insurance**

Term life insurance or Term has fewer features and requires less ongoing management. Generally, temporary insurance plans expire at age 85.

The most common Temporary plan is 10-year renewable and convertible term.

Renewable means no evidence of insurability is required at each premium renewal period during the term of the policy. Premiums are generally guaranteed at each renewal period and increase with age.

Convertible means that the policy owner/life insured has a contractual right to convert some or all of death benefit to a permanent life insurance policy then offered by the insurance company. This right to convert usually expires at the life insureds age 70.

The right to convert is an important provision because a conversion is considered a continuation of the existing policy which means the two-year period that limits benefits for suicide to a refund of premiums and the right an insurance company has to contest a claim does not start over.

There are variations on Temporary insurance plans, however the most common plans are 10-year, 15-year, 20-year or 30-year Convertible and Renewable term plans.