



**WHAT HAPPENS  
IF I CAN'T  
WORK?**



**HOW CAN I  
TOP UP MY  
COVERAGE?**



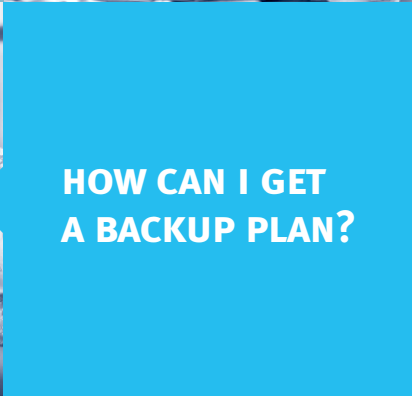
**I'M FREELANCE.  
CAN I GET  
COVERAGE?**



**WHAT WOULD  
BE THE BEST  
COVERAGE  
FOR US?**



**HOW CAN I GET  
A BACKUP PLAN?**



**I RUN MY OWN  
SMALL BUSINESS.  
WHAT'S NEXT?**



**DO YOU COVER  
PEOPLE IN JOBS  
LIKE MINE?**



**AM I PROTECTED  
OFF THE JOB, TOO?**



**For advisor use only**

# Insurance Advisor Guide

The Fundamental Series® Disability Income Protection

RBC Insurance



**HOW CAN I GET A  
BACKUP PLAN?**



**WHAT HAPPENS  
IF I CAN'T  
WORK?**

**HOW CAN I  
TOP UP MY  
COVERAGE?**



# Individual disability income protection for an underserved market

As an insurance advisor, you understand the universal need for disability insurance to provide financial support in the event of a long-term illness or injury. But contract workers, people who are self-employed and employees in lower-paying positions with inadequate or no coverage may not qualify or be able to afford the coverage they need.

The Fundamental Series disability income protection product is designed

to meet the needs of this underserved market. The plan guarantees acceptance for Injury-only coverage<sup>1</sup> and, with its streamlined application process, is easy for clients to understand and easy for you to sell. Clients may also complete a supplemental application to apply for Illness coverage. Like all RBC Insurance<sup>®</sup> offerings, The Fundamental Series is backed by the strength and reputation of one of the country's most recognized brands.

## Sales Tip

**Recovering from an injury or illness is challenging physically and mentally as well as financially. Make sure your clients know that The Fundamental Series includes assistance finding rehabilitation services and even financial counselling to support them throughout their recovery.**

### Who will The Fundamental Series appeal to?

This product is likely to be most attractive to clients and potential clients who fall into the following categories:

- Self-employed or contract workers, such as farmers, real estate agents and tradespeople
- Salaried employees in lower-paying roles or lower-salary sectors, such as the retail industry
- Workers in trades that typically don't qualify for disability insurance, such as construction workers and truckers
- Employed individuals without group disability coverage or who need to top up their existing coverage
- Apprentices registered with a certified college or regulatory body on the student savings program

### Key benefits for your clients

The Fundamental Series disability income protection product has a number of benefits that will make it appealing to your clients in these markets.

**Affordability.** This is significant as price has long been a barrier to purchasing insurance for these groups.

**Simplicity.** The application process is straightforward and easy for your clients to understand.

**Guaranteed coverage.** Acceptance for Injury-only coverage is guaranteed upon satisfying a few simple prequalifying questions. Policies are guaranteed renewable to age 75 for Injury-only and to age 70 for Illness coverage.

**Broad coverage.** Upon purchase, your clients have income protection in case of total or partial long-term disability. Coverage also includes a return-to-work benefit. When Illness is purchased, your clients automatically have access to the Best Doctors<sup>†</sup> consulting program.

**Flexible options.** In addition to choosing either Injury-only or Injury and Illness, your clients can add an Accidental Death & Dismemberment rider.

**Minimum benefit guarantee.** During the first 18 months of a disability, benefits will not be integrated with other benefits if the monthly benefit is less than \$1,000. If the monthly benefit is greater than \$1,000, the minimum monthly benefit will be the greater of \$1,000 or 25% of the monthly benefit shown on the Policy Schedule.

### Key benefits for you

- Efficiency — the shorter application is likely to save you time
- Positive client experience — may help you increase client retention, satisfaction, referrals
- Opportunity to introduce additional or alternative RBC Insurance disability coverage as clients' needs change over time

## Underwriting guidelines

The following table summarizes the underwriting guidelines for The Fundamental Series disability income protection product.

Occupational classes	1, 2, 3, 4, 5 and 6	
Minimum monthly benefit	\$500	
	<b>Injury</b>	<b>Illness</b>
<b>LOSS OF INCOME</b>		
Issue limits	Classes 1, 2: \$6,000 Classes 3, 4, 5, 6: \$5,000	Classes 1, 2: \$6,000 Classes 3, 4, 5, 6: \$5,000
Issue ages	18 to 69; coverage to age 75	18 to 64; coverage to age 70
Benefit period	Classes 1 to 4; ages 18 to 64: 5 years or to age 70 Classes 1 to 4; ages 60 to 69: To age 70 Classes 5 and 6; ages 18 to 64: 5 years Classes 5 and 6; ages 65 to 69: To age 70 Benefit period is reduced to 24 months upon reaching age 68	Classes 1 to 4; ages 18 to 59: 2 years, 5 years or to age 70 Classes 1 to 4; ages 60 to 64: 2 years or 5 years Classes 5 and 6; ages 18 to 59: 2 years or 5 years Classes 5 and 6; ages 60 to 64: 2 years or 5 years Benefit period is reduced to 24 months upon reaching age 68
Elimination period	0, 30, 90 or 120 days	30, 90 or 120 days
<b>BUSINESS OVERHEAD EXPENSE (BOE)</b>		
Issue limits	Classes 1, 2: \$6,000 Classes 3, 4, 5, 6: \$5,000	Classes 1, 2: \$6,000 Classes 3, 4, 5, 6: \$5,000
Issue ages	18 to 69; coverage to age 75	18 to 64; coverage to age 70
Benefit period	12 months	12 months
Elimination period	30 days	30 days

\*The maximum taxable issue limits if a WLRP is selected is as follows:

Injury & Illness

- Classes 1, 2: \$8,500

- Classes 3, 4, 5, 6: \$6,500

Sales Tip

**When speaking to business owners, be sure to remind them that The Fundamental Series offers a benefit that covers business overhead expenses, ensuring they can keep paying their office expenses while they recover.**

### Definition of disability

*Totally disabled* or *total disability* means that:

- The insured person is unable to perform the important duties of his or her regular occupation as a direct result of an injury or illness; and
- He or she is not engaged in any gainful occupation; and
- He or she is receiving a physician's care.

After disability benefits have been payable for 36 months, then *total disability* means that:

- The insured person, as a direct result of an injury or illness, is unable to engage in any reasonable occupation for which he or she may reasonably become fit to perform by education, training or experience; and
- He or she is receiving a physician's care.

A disability is not considered to be caused by an injury if it begins more than 120 days after the accident. During the benefits period, a recurrence of a "same or related" disability within six months is deemed to be a continuation of the prior disability.

### Policy benefits

The Fundamental Series disability income protection product includes the following benefits.

**Total disability benefit.** Once the elimination period is satisfied, the insured may receive a monthly benefit while he or she remains disabled up to the duration of the benefit period.

**Partial disability benefit.** If the insured person is partially disabled after the elimination period, he or she may receive 50% of the monthly benefit for a maximum of six months (subject to the maximum benefit period and policy limitations and exclusions).

**Return to work assistance.** Starting from the first day of injury or illness, RBC Insurance may provide the following types of assistance to help the insured return to the workforce:

- Coordination of physical rehabilitation services
- Financial and business planning
- Vocational evaluation
- Education and job placement for a new occupation
- Worksite modifications, such as ergonomic furniture or equipment, mobility-enhancing equipment and visual or audio devices

**Waiver of premium.** Premiums are waived after 30 consecutive days of disability, or the elimination period if longer. Premium waiver ends when benefits end.

**Accidental medical emergency treatment.** If the insured person incurs medical emergency expenses because of an accidental injury, he or she may be reimbursed up to \$10,000 (proof of payment for the expenses is required).

**In these uncertain times, guaranteed renewability is an attractive selling point. Remind clients that their coverage cannot be terminated before age 70 or 75 as long as they pay their premiums.**

Sales Tip

**Optional: Accidental Death & Dismemberment** (with or without accidental medical expense reimbursement) — \$100,000 to \$500,000 in increments of \$100,000. This rider provides for specific losses caused by accidental bodily injuries sustained by the insured and resulting in continuous total disability as follows:

- Full benefit — death, loss of two limbs or loss of sight in both eyes
- Half benefit — loss of either a hand or a foot
- One third benefit — loss of sight in one eye

### **Business Overhead Expense**

Business Overhead Expense is a reimbursement policy designed to cover fixed office expenses during a period of total or partial disability.

### **Exclusions**

Benefits under The Fundamental Series disability income protection product are not payable with regard to:

- Intentionally self-inflicted harm or attempted suicide, sane or insane
- Committing or attempting to commit a criminal offence
- The use of any drug, poisonous substance, intoxicant or narcotic, other than as prescribed
- Normal pregnancy and childbirth
- Engaging in an illegal occupation, a riot or insurrection, public disturbance, act of declared or undeclared war

- AIDS or HIV prior to the policy's effective date
- Subjective conditions such as chronic fatigue syndrome, chronic pain syndrome, fibromyalgia, Epstein-Barr syndrome
- Mental disorders and substance use disorders
- Service in the armed forces
- Incarceration
- Injuries sustained while:
  - Traveling or flying an aircraft
  - Engaging in professional athletics or professional underwater activities, mountaineering, rock climbing, caving, parachuting, sky diving, hang gliding, bungee jumping, racing
  - Operating a vehicle while intoxicated (drugs or alcohol)
  - Incarcerated

## Limitations

**Back and neck Injuries** Benefits for back and neck Injuries will be considered for payment only where substantiated by diagnostic medical tests. Benefits for Soft Tissue Injuries of the back, neck and surrounding tissues will be limited as described in the Soft Tissue Injuries Limitation below.

**Degenerative Disc Disease** Degenerative Disc Disease is deemed to be a disease or sickness for the purposes of the sickness exclusion. If Illness Coverage was purchased, benefits for any period of Disability that results, directly or indirectly, from degenerative disc disease will be limited to 20 days per period of Disability up to a Policy lifetime maximum of 120 days.

**Soft tissue injury** means a contusion, sprain or strain, as well as bursitis, carpal tunnel syndrome, epicondylitis (medial and lateral), patellofemoral syndrome, palmar fasciitis, plantar fasciitis, rotator cuff injury, tarsal tunnel syndrome and tendonitis. Sprain means a joint injury in which some fibers of a supporting ligament are ruptured but the continuity of the ligament remains intact. Strain means an injury to a muscle caused by over-stretching or over-exertion.

**Unemployment/Minimal Work** If You sustain an Injury or first Manifest an Illness during any period that You have been Unemployed for more than 60 days, Regular Occupation shall be deemed to mean Reasonable Occupation. If You become Disabled due to Illness during any period that You have been Unemployed for more than 60 days, the Maximum Benefit Period for Total Disability under the Loss of Income Illness Coverage will be 60 Months.

**Leave of Absence** If You sustained an Injury or first Manifested an Illness while on a Leave of Absence, Regular Occupation shall be deemed to mean Reasonable Occupation until Your scheduled return to work date. Thereafter, Regular Occupation shall be deemed to mean the occupation that You were actively involved in for compensation just prior to Your Leave of Absence. However, Regular Occupation shall continue to mean Reasonable Occupation if the Leave of Absence was not established and documented before You sustained such Injury or first Manifested such Illness.



## Why choose RBC Insurance?

For decades, RBC Insurance has been meeting the protection needs of Canadians. We are constantly innovating to keep pace with regulatory change, provide the products that today's markets require and provide advisors with the tools they need to succeed. When it comes to recommending RBC Insurance to your clients, it's important to know that we are backed by one of the most recognized brands in Canada. When you offer an RBC Insurance solution to your clients, you're offering them protection they can trust.

To learn more about The Fundamental Series disability income protection product or any of our comprehensive suite of life, disability and other insurance solutions, please:

- Contact your MGA
- Call your RBC Insurance Sales Consultant at 1-866-235-4332
- Or visit [www.rbcinsurance.com/salesresourcecentre](http://www.rbcinsurance.com/salesresourcecentre)



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