



Protecting all that you've worked for



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Business Term Benefits

You face many challenges in the management of your business - from the day-to-day concerns to achieving its long-term success.

These challenges may include concerns such as ensuring your business continues if you die, or that there is minimal business disruption should a key employee die, and providing enough funds for your beneficiaries to cover the potential capital gains tax liability your business may have built up.

Life insurance is one of the most effective solutions for funding these types of business needs. It guarantees that money will be available when you need it. Term insurance can often be the best choice of life insurance protection since it can meet your needs now and fits comfortably within your business cash flow. Business Term gives you low-cost life insurance protection that can be customized for your company's specific needs with the following benefits:

Protection for you and your business

- Life insurance is a cost-effective method for funding a buy-sell agreement, ensuring funds are there when they're needed
- Life insurance can provide immediate tax-free cash to help the business replace a key person or employee
- It can provide your beneficiaries with the funds needed to pay estate taxes
- Unlike traditional term plans, you save by having one plan cover you and your business partners

Flexibility to change as your business needs change

- Coverage is available for both temporary and life-time needs in the same plan
- Your coverage can easily be updated and changed as your business grows and changes
- You can choose the payment option and amount that suits your needs and cash flow

Easy to understand

- Business Term is straightforward, low-cost insurance
- Your contract is written in plain, easy-to-read language
- Your plan is easy to manage with statements that are clear and concise



Business Term Features

Life insurance

Business Term provides insurance coverage options to meet your long- and short-term needs. Coverage can be renewed and future payments are guaranteed.

Choose one or more of the following life insurance coverages in the same plan:

- Term – 10
- Term – 20
- Term – Life (T-100)

Additional protection

You can also choose to purchase the following options:

- An option to purchase additional life insurance in the future without providing the normally required evidence of continued good health. The amount is customized to increase with the growth in the value of your share in the business. (see the next panel of this brochure for more on this unique feature)
- Premiums payable for insurance and rider coverages waived by Manulife Financial if you become disabled

At no extra cost:

- Payment for bereavement counselling for your family
- In case of terminal illness, you may be able to obtain a loan based on a portion of the death benefit

Your advisor can help you assess your needs to determine the right solutions for you and your business.

Protecting the future growth of your business with the Business Value Protector

As your business grows and matures, so does its value. If you die, your business and your beneficiaries may not have enough funds on hand to pay the costs associated with your business success. Paying capital gains taxes and funding buy-sell agreements are business-planning priorities that increase in size as your business grows. Life insurance is a cost-effective way to address these needs, but you don't know how much to buy and when to buy it.

One of Business Term's unique features is specifically designed to address this need. With the Business Value Protector, you can purchase additional insurance in the future based on the growth in the value of your share of the business. You don't have to provide the normally required evidence of good health to do so and no expensive business valuations are needed.

Glossary

Buy-sell agreements provide for the transfer of ownership of a business in different circumstances – death, disability, retirement or disagreement. Proper funding is required to ensure money is available to purchase the shares of a deceased or disabled owner or partner, when needed.

Capital gains tax is the tax associated with the increase in value of a business, generally payable upon the death of the shareholder or business owner.

Key person insurance provides funds upon the death of a key person in your business to cover unexpected expenses that may occur as a result of his or her death. These expenses could include recruiting and training costs, and the need to cover a loss in cash flow due to a reduction in sales.

Collateral insurance is often required by banks or other lending institutions to cover the repayment of a business loan in the event of death. Life insurance premiums for this coverage may be tax deductible.

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