

# A Husband's Point Of View

## A.M.H. Financial Services



Volume 10, Issue 3  
March 2020

### INSIDE THIS ISSUE:

#### Disability Insurance Facts

Are you protecting your most valuable asset?

#### Our Mission



### On the Lighter Side

A pet store had a bird contest—no perches necessary.

Who earns a living driving their customers away? Taxi Drivers

If a snake married a mortician, what would their bath towels say? Hiss and Hearse

What did the flickering candle say to the sputtering oil lamp? Want to go out sometime.

Thought about going on an all-almond diet...but that's just nuts.

If you had a life-changing accident or were diagnosed with a critical illness tomorrow, would you and your family be able to cope?

Let's say you didn't have disability coverage, and a few sick days eventually turned into weeks, months or years off of work. How would you pay your bills? Would you dip into your savings? What happens when that's gone and your next mortgage payment is coming up. What do you do? While it's definitely an unpleasant situation to think about, that's exactly why you should consider including disability insurance to your financial plan.

Disability insurance can help protect you and your family from an unexpected illness or accident that leaves you unable to work and earn an income. Generally, disability insurance replaces between 60% and 85% of your regular income, up to a maximum amount, for a specified time if you temporarily can't work.

While many of us understand the importance of life insurance, the truth is that insurance against an accident or disease that prevents you from working is arguably even more important. A typical 30-year-old has a four times greater chance of becoming disabled than he does of dying before age 65. A full one in six Canadians will be disabled for three months or more before the age of 50.

Some policies will provide coverage if you're unable to do only your own job, while others will provide coverage if you're unable to do any job.

Your coverage should be indexed to keep up with inflation, otherwise your purchasing power will gradually decrease.

The amount of coverage you choose should be enough to cover all of you and your family's needs for an extended period of time.

Any disability coverage you have through your employer will end if you change jobs, so owning your own policy gives you greater flexibility – plus it can top up existing employer coverage.

Call Andy today for more information on Disability Insurance at (780) 425-4058 or email him at [andy@amhfinancial.ca](mailto:andy@amhfinancial.ca)



## Disability Insurance Facts

Disability insurance can help protect you and your family from an unexpected illness or accident that leaves you unable to work and earn an income.

Generally, disability insurance replaces between 60% and 85% of your regular income, up to a maximum amount, for a specified time if you:

- ⇒ temporarily can't work
- ⇒ are permanently disabled due to an injury or illness



**Protect your  
paycheque!**

Canadian population aged 15 years and over with a disability and unmet needs due to cost, by age group and severity, 2017

Age Group	Unmet Needs due to cost	
	Number	Percent
15 to 64 years	1,221,370	28.6
64 years and over	405,640	20.6

Statistics Canada, Canadian Survey on Disability 2017



### How will you live if you can't work?

Is the amount of money you expect to get from your group long-term disability insurance enough to cover you in case you get sick or injured? If it's not enough, then you may want to consider getting your own disability insurance.

Also, Worker's Compensation only covers certain types of workers and work-related accidents. As an example, let's say you fall off your bike on the weekend and can't work for a long time. Since it wasn't a work-related injury, it's not covered under Worker's Compensation.

Plus, unemployment insurance sickness benefits only cover up to a maximum of 15 weeks. What happens if you can't work after it runs out? This is where disability insurance (along with other potential sources of income) can help to make ends meet if the need arises.

Most of us don't think of our income as our single biggest asset — but it is.

**Disability insurance** provides a monthly income if you're unable to work due to a serious injury or illness, while **critical illness insurance** pays out a tax-free lump sum payment following the diagnosis of one of several illnesses covered by your policy.

## Are you protecting your most valuable asset?

What would you say if someone asked you, “What’s your most valuable asset?” It might be your home, or maybe even your car. But have you considered that it might be your ability to earn a living? Over your lifetime, that’s worth far more than your house or car. While it’s very likely you have insurance to protect both your home and car, do you have anything to cover your income if the unexpected strikes?

Consider your earnings between now and age 65 based on your current income and age.

Current age	Current income					
	\$35,000	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
30	\$2,157,664	\$3,082,378	\$6,164,756	\$9,247,134	\$12,329,511	\$15,411,889
40	\$1,292,961	\$1,847,088	\$3,694,175	\$5,541,263	\$7,388,350	\$9,235,438
50	\$655,754	\$936,792	\$1,873,584	\$2,810,376	\$3,747,168	\$4,683,961

Total potential earnings to age 65, assuming a 3.1% increase every year.

Over a 30- or 40-year career, your accumulated income is likely to be far more valuable than any other asset you’ll own.

But these day-to-day expenses aren’t the only ones you may face. You might also have added costs like medication, home modifications or childcare. It could be difficult to maintain your lifestyle for a long time if you couldn’t work because of an illness or injury.

Disability insurance works when you can’t. If an illness or accident keeps you from working, disability insurance can give you a monthly income to help pay for ongoing expenses. It replaces a percentage of your earnings over the short or long term.

For more information about how disability insurance may fit your needs, talk to Andy today.



Financial Advisor  
Since 1976



Phone: (780) 425-4058  
email: andy@amhfinancial.ca

Take a look at our new website!

[www.amhfinancial.ca](http://www.amhfinancial.ca)

AMH Financial Services is a full-service firm. We offer services to help you examine your financial goals and select the options that will best suit your needs, timeframe and investment style. We believe in helping you create a comprehensive financial plan for your family that includes planning, insurance and portfolio management.

**MY COMMITMENT AS A FINANCIAL ADVISOR IS TO HELP PEOPLE TO REACH THEIR FINANCIAL GOALS. IF YOU HAVE A FAMILY MEMBER, FRIEND OR COLLEAGUE WHO YOU FEEL COULD BENEFIT FROM A CONVERSATION WITH ME, I WOULD BE PLEASED TO SPEAK WITH THEM WITHOUT OBLIGATION.**

I believe that every individual has an unalienable right to make the best and most effective use of hard-earned income, to have easy access to up-to-date and informed advice, and to be able to provide for short and long-term requirements.



My mission is to help you to make an educated decision that you are comfortable with!

I am committed to serving the individual customer with investment and financial portfolios which will meet current needs and provide for future requirements and situations.



*Want to feel more confident about reaching your financial goals?  
We can help you with that!*



I want to get ready for my financial future



I want to plan for my retirement



We want to get ready for our life together



I want my children to get ready for a better financial future

With so much conflicting advice in the news, online, even from friends and family, making sound financial choices is difficult. Eliminate the confusion and make informed financial decisions with help from a professional.

**Call us today (780) 425-4058**

