

LIFE INSURANCE REPLACEMENT DECLARATION

Client Name(s): _____

	Existing Policy	Proposed Policy
Policy Number or Application Number		
Policy Issue Year		
Insurance Company		
Plan, e.g. Term, WL, UL, etc.		
Face Amount		
Riders		
Additional Benefits or ADO		
Annual Premium		
Premium Pay Period, e.g. Life Pay, 10 Pay, 20 Pay, etc... Must Indicate "Guaranteed" or "Not Guaranteed" (Premium Offset")		

I confirm that my agent has explained this Life Insurance Replacement Declaration to me.

Client's signature

Date

Agent or broker's signature

Date

LIFE INSURANCE REPLACEMENT DECLARATION

Do not cancel your existing policy until the new policy is in force and you accept it. Before you cancel your life insurance policy you should have answers to the questions below. Ask any insurance agent or broker, or an independent person, for help if you need it.

Section A: Questions about your present life insurance policy

1. Why do you want to replace your policy? Is the new policy better for you? How?

2. Should you just buy more insurance or change your policy? How much will these changes cost?

3. When should you cancel your present policy? When will your next annual dividend be paid? Will the timing affect your cancellation charges?

4. Will you pay more income tax if you cancel your present policy?

Section B: Questions on the advantages and disadvantages of a new life insurance policy

1. Do you understand the type of insurance policy you are buying? Is it a term life, whole life, or universal life insurance policy? You should know the differences.

2. Are there times when the new policy will not pay all the benefits that your present policy does? Examples are suicide and contestable periods and contractual exclusions.

3. Will the new policy pay as much as your present policy? Examples are death benefits, cash values, and dividends.

4. Does the new policy have the same extra, or optional, benefits as your present policy? Examples are waiver of premium, guaranteed insurability, accidental death, and family member riders.

5. Are there cancellation charges on the new policy?

6. What guarantees apply to your present and proposed policies? Which policy has the best guarantees?

7. Will either of the policy premiums (payments) increase? For how long will the premiums stay the same? How much will they increase?

Important: Please ensure that the agent or broker provides you with copies of the written explanation of the advantages and disadvantages of replacing your life insurance policy with a new policy.

I confirm that my agent has explained this Life Insurance Replacement Declaration to me.

Client's signature

Date

I have given the client this document and a written explanation of the advantages and disadvantages of replacing their life insurance policy, before starting the application for a new policy.

Agent or broker's signature

Date

Note: Your agent or broker should deliver and review the new policy with you. If the policy is not satisfactory for any reason you may have a right to reject it and receive a full refund of premiums, under provincial or territorial law or under contract. Check the policy and the law for the right of rejection and the time limit for rejection.