

# Personal or corporate-owned critical illness insurance



## Which one is best for your needs?

Critical illness insurance is a great way to help protect either yourself or your business, if you're diagnosed with a covered life-threatening condition. Canada Life™ pays a tax-free critical illness insurance policy benefit to you (for a personal-owned policy) or to the business (in a corporate-owned policy). This lump-sum payment can help fund additional expenses associated with a critical illness.

Let's review the following considerations to compare whether personal or corporate-owned critical illness insurance is right for your needs.

Considerations	Which one makes sense?	
	Corporate-owned policy	Personal-owned policy
Require money for medical expenses, personal living expenses, other costs, etc. while you recover		X
Hire someone to replace a keyperson (or you) while they recover	X	
Personal loan protection (e.g. mortgage)		X
Business loan protection (e.g. mortgage, business line of credit, etc.)	X	
Business overhead expense protection	X	
Funding a buy-sell provision of a shareholder's agreement	X	X
Personal funds available to cover insurance premiums		X
Protect your personal financial portfolio		X
Protect your business financial portfolio	X	
Ability to claim a medical expense tax credit		X

This comparison is for general information only and isn't legal or tax advice. You should always obtain your own tax or legal counsel before you make a purchasing decision, particularly in complex ownership situations.

**For more information about critical illness insurance**

Talk to your advisor or visit [canadalife.com](http://canadalife.com)

All comments related to taxation are general in nature, based on current Canadian tax legislation for Canadian residents, which is subject to change. No comments are meant to provide tax advice. The policyowner should discuss the tax implications of an insurance policy with their tax advisor.