

Disability income insurance

For most people, the ability to earn an income is a very valuable asset. When you stop to think about it, it's our income which pays for the lifestyle we lead. Having car insurance, fire insurance and home insurance is essential. How comfortable would you be living in a home without fire insurance, or driving your car without insurance protection? So why would you stop at insuring your health and well-being?

Your greatest asset is your earning power

If we insure our assets, then doesn't it make sense to insure the source of our assets? Disability income insurance is designed to replace a portion of your income in the event you become disabled due to accident or sickness.

Consider this: if your current income is \$5,000 per month, you will earn over \$4 million between now and age 65.* Your earning power is extremely valuable. What are the chances you may become disabled? Take a look at the table which indicates the probability of disability and its duration.

Probability of disability and its duration		
Your age	Chance of being disabled longer than 90 days	Average length of disability after 90 days
25	58 %	1.2 years
30	54 %	2.5 years
35	50 %	2.8 years
40	45 %	3.1 years
45	40 %	3.2 years
50	30 %	3.1 years
55	25 %	2.6 years
60	14 %	1.6 years

Source: 1985 Commissioner's IDA Morbidity and Commissioner's SO Mortality Tables, Society of Actuaries.

For more information on protecting your earning power, speak with your BMO financial professional who will refer you to an Estate & Insurance Advisor (Financial Security Advisor in Quebec) from BMO Estate Insurance Advisory Services.

* Based on a male age 35 assuming a 5% annual increase in salary.

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