RBC Wealth Management®
Insurance Services

TYPES OF INSURANCE

Term Insurance

When you think of life insurance, you probably first think of term insurance. Term insurance protects you for a set period of time, usually from one to 30 years. Should you die during that time, your beneficiaries — the people or organizations you want to benefit from your policy — receive the "death benefit" or face amount of the insurance policy.

The advantage of term insurance is that your loved ones are protected for a modest cost, depending on your age. However, term insurance doesn't have any sort of accumulations or investment component; when you stop paying premiums, your contract ends, thus your protection also ends.

Whole Life

While term insurance provides coverage for a set period of time, whole life protects you for your entire — or whole — life, regardless of when you die. In addition, whole life adds an accumulation or "savings," component to the life insurance protection you receive. Your life insurance premiums are fixed from day one, are invested by the insurance company, and grow tax-deferred until you withdraw them. This savings is referred to as your cash value. With a whole life policy, you can borrow from the policy cash value. Clients who are looking for protection often find whole life insurance appealing.

Universal Life

Universal life — similar to whole life insurance — provides insurance protection as well as an accumulation component, but gives you more control over your death benefit, as well as the amount and timing of your premiums. Universal life is referred to as an "unbundled policy," meaning the policy's charges, expenses and credited interest are fully disclosed and exposed to you. You must keep enough cash value to cover administrative expenses and mortality charges, but the remaining premium you pay is invested into an accumulation account. Universal life insurance is ideal if you have an unpredictable cash flow and want more flexibility with when and how much you pay.

Single Premium Variable Life Insurance

Single premium variable life insurance allows you to invest a single deposit into a portfolio of stocks, bonds, and/or real estate funds, often referred to as subaccounts. The performance of the subaccounts you select affect the death benefit and cash value of your policy — when your subaccounts perform well, the death benefit and cash value go up. In addition, some single premium variable life policies may include a guaranteed minimum death benefit, so you can be sure your beneficiaries will be protected even if your subaccounts have not performed well.* This product can be a very effective wealth transfer vehicle.

Variable Universal Life (VUL)

Variable universal life insurance combines the investing aspect of variable insurance — a cash value that may go up or down — with the flexibility that universal life insurance offers: you choose the amount and timing of your premium payment, as well as the amount of death benefit you need. A product that has complete design flexibility coupled with the ability to direct premium payments to a variety of subaccounts make VUL an attractive solution.

Long-Term Care

Long-term care insurance helps give you peace of mind that if you were unable to care for yourself because of an extended illness, your family's assets won't be depleted by the cost of a nursing home. Your premium affords you a daily benefit in the form of a dollar amount which is used to defray the costs of nursing home care or home health care.

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Disability

People typically buy property and casualty insurance to protect their possessions and life insurance to protect loved ones in the event of death, but what about protecting your most important asset, your ability to earn an income? Heart disease and back problems are the two most common causes of disability. If you become sick or hurt and could not work, you may not be able to sustain the same standard of living as you did before your disability. Disability insurance helps protect yourself and your family from financial hardship.

Survivorship Life

Traditional life insurance provides protection for a single individual, while survivorship life insures two individuals, usually husband and wife. Often referred to as a "second to die" policy, survivorship life insurance pays proceeds upon the second death of you and your spouse. The premium for this insurance is typically more economical, because the insurance only pays upon the death of the second person.

Survivorship life insurance can be a powerful estate-planning tool. With properly structured ownership, survivorship life insurance may help your heirs manage an estate tax liability and other estate settlement costs.

COMMITTED TO A SOLID FINANCIAL FUTURE

Your RBC Wealth Management® Financial Advisor is committed to helping you reach your financial goals — not only growing your assets, but also what happens to those assets should you die, become disabled, or require extended nursing care.

We'll take the time to understand what you want to accomplish, and then help match your needs to the most suitable insurance products. We have access to a wide range of nonproprietary, competitively priced insurance products. Coupled with your Financial Advisor's knowledge of investments and your personal financial situation, insurance can provide the foundation you need to complete your financial picture.

Contact your Financial Advisor today to learn more about how RBC Wealth Management can help meet your insurance needs.

Prospectuses containing more complete information about variable life insurance policies, including fees and expenses, are available by contacting your RBC Wealth Management Financial Advisor. Please read carefully before investing or sending money to make sure the product is appropriate for your goals and risk tolerance. Investors should consider the investment objectives, risks, and charges and expenses of all life insurance products carefully before investing. Variable life insurance policies frequently involve charges such as administrative fees, insurance charges, mortality & risk expenses charges, surrender charges and various fees associated with each underlying fund. Investments in variable life insurance products will fluctuate and values upon redemption may be less than the original amount invested. Early withdrawals may impact cash values and death benefits. Significant fees and charges may be incurred when transferring out of a life insurance policy, including the possibility of paying surrender charges, additional premiums when purchasing a new policy, as well as the possibility of tax consequences.

RBC Wealth Management does not provide tax or legal advice. All decisions regarding the tax or legal implications of your investments should be made in connection with your independent tax or legal advisor.

**All guarantees are backed by the claims-paying ability of the issuing company and do not apply to the underlying investment options. Some guarantees are provided by riders for an additional charge.*