Restoring your life insurance policy

Your home is a place to create lasting memories. Did you know it can also be a powerful financial tool for protecting the legacy you've worked hard to build?

Through **HomeEquity Bank's reverse mortgage solutions**, Canadian homeowners 55 and better can unlock a portion of the equity in their home as a flexible source of tax-free cash.

Keeping your policy aligned with your plan
Your life insurance is more than coverage. It's a meaningful part of the legacy you want to leave behind.

A loan against an insurance policy can compound quietly reducing its value and, in some cases, putting the policy at risk of lapse, along with the legacy it was designed to deliver.

How our solutions can help:

- Access up to 55%[1] of your home's value as tax-free cash
- Pay off a loan against your life insurance and protect the coverage your family is counting on
- Maintain your retirement lifestyle and broader financial plan

[1] Some conditions apply.
[2] This composite story brings together experiences drawn from real customers. Names, personal details and financial circumstances have been changed for illustrative purposes.

A story shaped by real customer experiences[2]

Margaret, 71, and James, 74, are enjoying retirement in West Vancouver. Years ago, they established a permanent life insurance policy to leave a meaningful legacy for their family.

They've embraced an active retirement, including travel, family support, and home updates. To fund this lifestyle without disrupting their investment portfolio, they began drawing from the cash value of their policy.

Over time, the loan against the policy grew to $150,000. As the loan and accumulating interest continued to compound, Margaret and James became increasingly concerned. Left unchecked, the loan could have eventually outgrown the policy's cash value and potentially caused the policy to lapse, leaving their family without the coverage they had planned for.

After discussing options with their financial professional, they turned to HomeEquity Bank for a solution that would help resolve the policy loan and support their broader financial plan.

Financial situation

Home value
$2,600,000

Investment portfolio
$1,200,000

Outstanding policy loan
$150,000

Traditional options

- Drawing from investments early may trigger taxes and disrupt their long-term plan
- Seeking conventional credit financing may require qualification based on income and ongoing monthly payments
- Leaving the policy loan in place could continue to compound and may eventually put the policy at risk of lapse, leaving the family without coverage

Solution

Margaret and James used HomeEquity Bank's **Income Advantage** to repay their policy loan and supplement their lifestyle, without disrupting their investments.

How it was structured

- Approved up to $1,157,500 based on home value, age, location and other eligibility requirements
- Planned to access only a portion of the amount available:
  - $150,000 initial tax-free advance to repay the outstanding policy loan
  - $2,000 monthly in tax-free advances over 10 years to support their lifestyle
- Access to additional funds in the future without requalifying

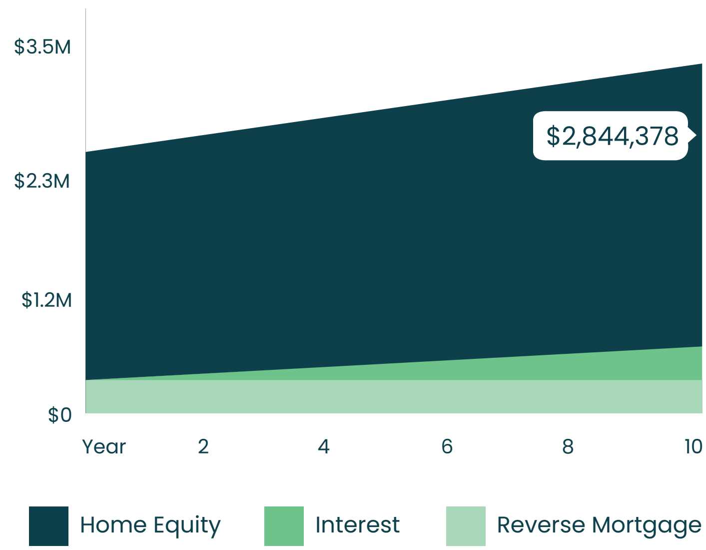
For illustration only—not legal, tax, investment, insurance, financial or estate-planning advice. Consult your advisors. Approval, amounts, rates, fees, features and future advances are subject to eligibility, underwriting and product terms. Customers must meet all mortgage obligations.

Their home equity over 10 years

Margaret and James's equity could increase by ~$400K over 10 years.

	Today	In 10 Years
Home Value	$2,600,000	$3,494,183
Reverse Mortgage	$150,000	$390,000
Interest	$0	$259,805
Remaining Home Equity	**$2,450,000**	**$2,844,378**

Assuming 3% home appreciation. Actual home equity may vary; this is not a projection or guarantee.



For illustration purposes only.

Outcome

- Policy loan fully eliminated
- Life insurance protected from long-term lapse risk
- Life insurance restored to its intended purpose
- $1.2M investment portfolio preserved
- No monthly payments required
- Ongoing income to support lifestyle
- Significant home equity remaining over the long term

Name
Title
Contact Phone
Contact Email