

Residual Income Loss Prior Earnings Statement

Name of Insured _____ Policy Number(s) _____

Instructions for filing a Residual Income Loss claim

Based on the information we have, it appears that you may qualify to claim for a Residual Income Loss. If so, it will help you to understand what Residual Income Loss benefits are so that you will know why we request certain financial data from you.

Please read the information below. While the actual provisions of your policy will govern, this information explains Residual Income Loss, the information we need and why, and defines the “Earnings” on which we base your eligibility for benefits.

What is Residual Income Loss?

PLEASE REFER TO YOUR POLICY FOR A FULL DESCRIPTION

Briefly, Residual Income Loss is a benefit which may be payable when, due to an injury or sickness, upon your return to work, you suffer a loss of income of at least 20% when comparing your Current Earnings to your Prior Earnings. The Residual Income Loss benefit payable is a percentage of your Monthly Benefit Amount equal to the percentage of income loss you suffer.

Example: Your Prior Earnings from your regular occupation averaged \$1,000 monthly. Because of disability, your current earnings are only \$600 monthly. Therefore your earnings loss is \$400 or 40%. For the month in which your earnings loss is 40%, we will pay you 40% of your Monthly Benefit Amount. Each month that you continue to have an earnings loss of at least 20%, subject to the maximum Benefit period in your policy, we will calculate your percent of earnings loss, and pay you that percentage of your Monthly Benefit Amount.

What are Earnings?

Earnings, both prior and current, means your gross income, before income tax but after eligible associated business expenses. They include all forms of earned income, including salary, wages, fees, commissions and bonuses. If you are self-employed or employed by your own corporation, earnings also include Business Income which includes dividends and profits from that corporation. Earnings do not include other dividends, rental income, royalties, annuity income or any other form of unearned income. Current Earnings means your earnings from your services entirely performed since the onset date of your disability.

What we need to know

As you can see, to be able to calculate your residual benefits, we must be able to establish your Prior Earnings and have you provide to us, on a monthly basis, the amount of your Current Earnings.

Establishing your Prior Earnings

The Prior Earnings Statement for Disability section of this form provides space for you to tell us how you were employed and compensated at the time your disability began, while giving you the opportunity to identify your earnings for a long enough period to establish the best possible average prior earnings against which to compare your current earnings. We will require you to provide us with proof of your earnings in order to determine your Prior Earnings based on the higher of your average monthly earnings from the following periods:

- any 6 consecutive months out of the last 24 months preceding the Onset Date (of disability); or
- the 12 fiscal months preceding the Onset Date; or
- the highest 2 consecutive tax years of the last 5 tax years.

We reserve the right to request federal and provincial Income Tax Returns and their schedules, including copies of the T4 and a copy of the financial reports covering the relevant period for reconciliation and adjustment if applicable. All Income Tax Reports should be accompanied by the appropriate notice of assessment.

Residual Income Loss Prior Earnings Statement

The steps below are intended to clarify which parts of the Prior Earnings Statement you should complete. When completing parts 1 to 6 please follow carefully the instructions contained in bold type.

STEPS TO FOLLOW

Fully complete parts 1 and 2. If you need additional space, please attach a separate sheet of paper.

If not self-employed or not employed by your own corporation, also follow the instructions in part 3.

If self-employed in an unincorporated business, also complete parts 4 and 6.

If self-employed in an incorporated business, also complete parts 5 and 6.

After completing this form, date and sign it in part 7 and return it to us at the address noted on this form. After we have reviewed it and your tax returns, we will calculate your Prior Earnings and advise you of the amount so calculated.

Reporting your Current Earnings

For each one-month period of your Residual Income Loss, we will ask you to report your current earnings to us. Depending on how you are employed and compensated after returning to work we have checked one of the boxes below. Please follow the appropriate instructions to report your current earnings.

STEPS TO FOLLOW

Complete the Current Earnings Statement, according to the instructions shown on it. We will send you a new Current Earnings Statement for each month you continue to have a Residual Income Loss.

Submit copies of all pay stubs or earnings statements provided to you since your return to work. Each statement should clearly indicate your employer's name, your name and the pay period covered, plus the amounts of all compensation received during the period, including salary, commissions and bonuses.

Prior Earnings Statement for Disability

Date beginning: (DD/MM/YYYY) _____

PART 1 – PRIOR EMPLOYMENT STATUS

At the time my disability began, I was: employed by another company self-employed, or an employee of my own company
other (explain) _____

PART 2 – COMPENSATION

Identify how you were compensated (*check all those applicable*) and the frequency (*weekly, monthly, etc.*) immediately before your disability began:

Type of Compensation	Frequency	Type of Compensation	Frequency
Salary	_____	Draw (<i>as needed</i>)	_____
Commissions	_____	Profit	_____
Bonuses	_____	Bonuses	_____
Contract for services	_____	Other (<i>explain</i>)	_____

PART 3 – YOUR PRIOR EARNINGS: NOT SELF-EMPLOYED

Follow the instructions in this part only if you were not self-employed.

For the highest 2 consecutive tax years of the last 5 full tax years before your disability began, attach legible photocopies of the tax returns you filed with Revenue Canada, including copies of your T4 s; or

For the 12 months before your disability began, attach copies of your pay stubs, earnings or commission statements, or other proof of your earnings during that period; or

For any 6 consecutive months out of the last 24 months before your disability began, attach copies of your pay stubs, earnings or commission statements, or other proof of your earnings during that period.

Residual Income Loss Prior Earnings Statement

PART 4 – YOUR PRIOR EARNINGS: SELF-EMPLOYED IN AN UN-INCORPORATED BUSINESS

Complete this part only if you were self-employed in an un-incorporated business.

For the highest 2 consecutive tax years of the last 5 full tax years before your disability began, attach legible photocopies of all tax returns and supporting schedules, showing your Business Income, which you filed with Revenue Canada; or

In the following spaces, for the 12 months before your disability began, show your business' total income and your tax deductible business expenses (or you may attach an accountant's statement for this period); or

In the following spaces, for any 6 consecutive months out of the last 24 months before your disability began, show your business' total income and your tax deductible business expenses (or you may attach an accountant's statement for this period).

MONTH	TOTAL INCOME	BUSINESS EXPENSES
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$

MONTH	TOTAL INCOME	BUSINESS EXPENSES
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$

If you completed the above statements, please provide the name and address of your accountant or another person who has the documentation to support the earnings amounts shown:

Name _____ Relationship _____
 Address _____

PART 5 – YOUR PRIOR EARNINGS: SELF-EMPLOYED IN AN INCORPORATED BUSINESS

Complete this part only if you were self-employed in an incorporated business.

For the highest 2 consecutive tax years of the last 5 full tax years before your disability began, attach legible photocopies of all tax returns, including copies of your T4's and supporting schedules, showing your Business Income, which you filed with Revenue Canada; or

In the following spaces, for the 12 months before your disability began, show your business' total income and your tax deductible business expenses (or you may attach an accountant's statement for this period); or

In the following spaces, for any 6 consecutive months out of the last 24 months before your disability began, show your total income (or you may attach an accountant's statement for this period).

MONTH	TOTAL INCOME
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

MONTH	TOTAL INCOME
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

If you completed the above statements, please provide the name and address of your accountant or another person who has the documentation to support the earnings amounts shown:

Name _____ Relationship _____
 Address _____
 Phone _____ Email address _____

PART 6 – PENSION PLAN CONTRIBUTIONS

If you are self-employed, Business Income also means contributions to a pension, retirement savings plan or any other deferred compensation plan for yourself. If any such contributions were made during the months outlined in part 4 or 5 above, please show these amounts \$ _____.

PART 7 – NOTICE REGARDING COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION – (PRIVACY NOTICE)

ivari’s Privacy Policy, available at ivari.ca, tells you how ivari will handle your personal information as an Insured and/or Claimant. It also tells you about your rights and choices.

In summary:

ivari uses your personal information for the following purposes:

- Verifying your identity;
- Evaluating any forms you submit about the insurance policies you have in place with ivari;
- Administering and servicing the policy;
- Supporting business operations necessary for us to service the policy;
- Conducting investigations and analyzing claims; and
- Complying with our legal and regulatory obligations (such as tax reporting, compliance with anti-money laundering and anti-terrorist financing laws, and prudential and market conduct laws) and/or any legal or regulatory orders (for example, a court order, subpoena) against ivari.

When required as part of our claims analysis, we may also collect your personal information from external sources such as health care facilities or providers, investigative agencies and/or consumer and credit reporting agencies, and others.

When required, ivari may share your personal information with trusted third parties, including service providers retained by ivari to assist in administering ivari policies, ivari’s reinsurers; your financial institution, your independent insurance advisor and their supporting associates, market intermediaries, your beneficiaries and assignees, your family physician or treating medical practitioner and other insurance companies to whom a claim for benefits may be submitted.

It is possible that your personal information may be transferred, stored, handled, or processed outside your jurisdiction and that authorities in those jurisdictions may have access to it.

In some cases, you have a **right to withdraw consent** to the use and sharing of your personal information. You also have the **right to see and correct** the information we have about you, and to **obtain information about any fully automated decisions** we make using your information. Mail your written request to: **Chief Privacy Officer, ivari, 200-5000 Yonge Street, Toronto, Ontario M2N 7E9 or email: privacyoffice@ivari.ca.**

You can see ivari’s full Privacy Policy online at ivari.ca. Please make sure you read it carefully so that you understand it in full. Please note that we may update this Privacy Policy from time to time.

CONSENT REQUIRED FOR THIS FORM AND POLICY

The following consents are required to proceed with and submit this form to ivari:

1. I give my consent to the collection, use and disclosure of my personal information as described in the **Privacy Notice** and in ivari’s Privacy Policy on ivari.ca.
2. I authorize ivari to collect my personal information from third parties for the purposes described in and in accordance with ivari’s Privacy Policy.

Signature of **Insured**

Signature of **Claimant**

PART 8 – AUTHORIZATION

I agree to provide ivari with prompt notice of any change or alteration in the information which has been supplied for the purposes of this contract and/or claim.

If, as the Insured, I did not complete this form, I authorize the person(s) responsible for its completion to release to ivari any information it may require regarding the earnings shown above. I certify that all statements and answers made above, and all representations concerning the earnings shown above or on any attached tax returns and/or statements, are true and correct.

A photocopy of this authorization shall be considered as valid as the original.

Date: _____
(DD/MM/YYYY)

Signature of Insured

Prepared by: _____
Name

Address

Signature of Preparer



P.O. Box 4241, Station A, Toronto, ON M5W 5R3 • Telephone: 1-855-806-5057 • claimsdepartment@ivari.ca



The fastest and easiest way to send us your completed and signed forms is through our online tool, *Send documents* on ivari.ca. By using this tool, forms are sent instantly and securely.

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