

Process Overview

The process typically begins when a policy owner, together with their advisor, decides that it may be worthwhile to review an existing life insurance policy.

This review does not commit anyone to a transaction. It is simply a way to determine whether additional options may exist beyond surrendering or lapsing a policy.

At this stage, the advisor remains the primary point of contact and helps coordinate next steps.

Typical timing

In general, from initial review to completion, the process often takes approximately 3 to 5 weeks, depending on the specifics of the policy and whether additional underwriting is required.

Some factors that can affect timing include:

- Whether medical underwriting is needed
- How quickly information is provided
- The insurer's processing timelines
- The type of structure being reviewed

In some cases, the process concludes sooner if a policy is not suitable. In others, additional time may be required to ensure the review is complete and accurate.

No steps proceed without the policy owner's consent, and the process can be paused or stopped at any time.

Initial information gathering

To understand whether a policy may be suitable for further review, some basic information is collected, such as:

- The type of policy (for example, permanent or convertible term)
- The policy's death benefit and premium structure
- The age of the insured
- The province where the policy was issued
- High-level health information, if relevant

Only information that is necessary to assess viability is requested at this stage.

Preliminary assessment

Using the initial information, a preliminary assessment is completed to determine whether:

- The policy appears eligible for further review
- A life settlement or a policy-backed advance may be appropriate
- No offer is likely to be available at this time

Many cases conclude at this stage, either because the policy is not suitable or because another option makes more sense. If that happens, the advisor can discuss alternatives with the client.

Medical and policy review (when required)

If the case appears viable, a more detailed review may be needed.

This can include:

- Confirming policy details directly with the insurer
- Reviewing medical information to better understand life expectancy
- Ensuring all authorizations and privacy consents are in place

Medical information, when required, is handled confidentially and used only for evaluation purposes.

Not every case requires the same level of review. The scope depends on the individual situation.

Structuring and review of options

Once sufficient information is available, potential structures are reviewed.

Depending on the province and the policy, this may include:

- A life settlement (in Quebec)
- A policy-backed advance (in Quebec or elsewhere)
- Variations in structure that affect timing, retained benefits, or ongoing obligations

Any indicative terms are reviewed with the advisor first, then discussed with the client and family as appropriate.

There is no obligation to proceed simply because an option is presented.

Legal, tax, and compliance review

Before anything is finalized, the proposed structure is reviewed to ensure:

- Required disclosures are provided
- Legal documentation is clear and complete
- Tax considerations are understood in context

Clients are encouraged to consult their own legal or tax professionals where appropriate.

Completion and funding

If the client chooses to proceed:

- Final documents are executed
- Required changes (such as ownership, beneficiary, or collateral assignment) are completed with the insurer
- Funds are released once all conditions are satisfied

Ongoing communication and support

After completion:

- Ongoing communication continues as needed
- Families and beneficiaries can be kept informed, where appropriate

Each transaction is documented, and support remains available if circumstances change.

Important notes

- Every case is reviewed individually
- Not all policies result in an offer
- Timelines vary depending on policy, health, and insurer responsiveness
- No outcome is guaranteed
- The process can be paused or stopped at any time

The goal of this process is clarity so that decisions are made with full information and appropriate professional guidance.

This document is provided for general information purposes only. Every case is reviewed individually. Nothing herein constitutes an offer or financial advice.