



GREEN MOUNTAIN FINANCIAL SERVICES INC.

Insurance decisions | A practical take-away checklist

Before Cancelling Life Insurance

Needs changed or premiums difficult to manage? Review the policy you own before deciding to keep, change, replace or cancel coverage. Tick each item as you prepare.

Name: _____

Review date: _____

- ☐ **Review what the policy protects today.**
List dependants, outstanding debts and final expenses. Identify any protection gap that cancellation would leave.
- ☐ **Understand the policy you already own.**
Confirm coverage, riders, premiums, renewal dates and conversion deadlines. Separate guarantees from illustrated projections.
- ☐ **Check your ability to obtain new coverage.**
Age and health changes may affect approval, cost and exclusions. A quote does not mean replacement coverage is in force.
- ☐ **Ask about options within the existing policy.**
Discuss reducing coverage or riders and any reduced paid-up option. Availability and effects on guarantees depend on the contract.
- ☐ **Request financial consequences in writing.**
Ask about net surrender proceeds, charges, policy loans and any taxable gain. Confirm values with the insurer and tax effects with your tax professional.
- ☐ **Compare any replacement carefully.**
Review premiums, benefits, guarantees, exclusions and any new contestability or suicide-exclusion periods. Ask about replacement disclosures.
- ☐ **Confirm authority and cancellation instructions.**
Check ownership, assignments and required consent. Obtain the effective date and written confirmation. Stopping premiums may cause a lapse.

If you are replacing coverage: Keep the existing policy until the replacement has been issued, reviewed, accepted and confirmed in force, with all conditions met. Confirm timing with the insurer and your advisor.

My next action / questions to discuss

Bring: Policy contract, latest statement, renewal notice, current illustration, beneficiary records and replacement proposal.

Read the guide

Watch the video

Book a Clarity Call

gmfsi.ca | mshukla@gmfsi.ca | 905-921-9962

General education, not individualized insurance, tax or legal advice. Options depend on your contract and circumstances. Confirm policy values with the insurer and tax consequences with your tax professional.

Further reading: FSRA - Life Insurance Replacement Declaration. Reviewed October 2026.