



# Grow, protect, transfer



Discover the unique opportunities of segregated fund contracts.



1



### A segregated fund contract is:

- An all-in-one investment, insurance product and estate planning tool
- Only available from an insurance company

2



### The contract players:

- Contract owner – the person who owns the contract
- Successor owner – the replacement owner of the contract after the original owner dies
- Annuitant<sup>1</sup> – the person on whose life the maturity and death benefits are paid
- Successor annuitant – the replacement person on whose life the maturity and death benefits are paid
- Beneficiary – the person who will receive the funds when the annuitant, and successor annuitant if named, dies (can be anyone: a family member, friend or charity)

3



### Investment component:

- Opportunity to participate in the markets
- Pooled investments for economies of scale
- Range of funds across all asset classes to choose from to help **grow** and diversify a portfolio
- Option to choose from a non-registered account or a tax-advantaged registered plan

4



### Insurance component:

- Estate planning and wealth **transfer** features
- Potential creditor **protection**
- Asset **protection** through death benefit and maturity guarantees

5



### Estate planning advantages:

- Bypasses accounting, legal, administrative and probate fees<sup>2</sup>
- **Potentially protects** from estate creditors and avoids court challenges to a will
- Preserves privacy by bypassing probate<sup>3</sup>
- **Transfers** wealth quickly to beneficiaries
- Controls payments to beneficiaries – annuity settlement option lets you decide whether wealth is paid as a lump sum or gradually over time

6



### Guarantees:

- Death benefit guarantee – percentage of deposits, reduced by any withdrawals, that the beneficiary is guaranteed to receive when the last annuitant dies
- Maturity benefit guarantee – percentage of deposits, reduced by any withdrawals, that the contract owner is guaranteed to receive when the contract matures
- Maturity date – occurs after a minimum number of years has passed or at a contract set date (for example, age 100 of the annuitant)