



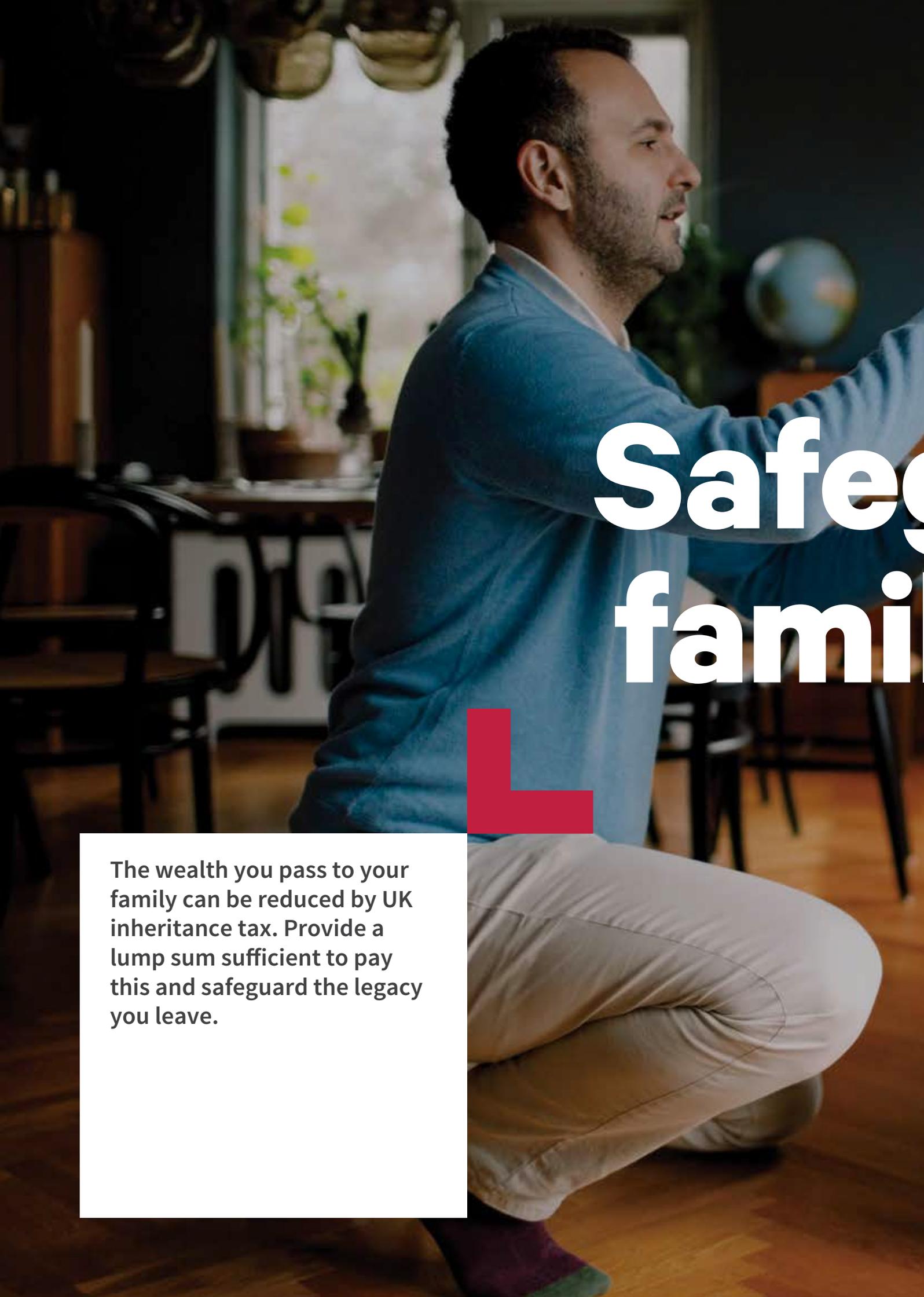
# Legacy

**CanProtect  
Whole of  
Life Plan**

**Client Guide**

canada *life*

International



# Safeguard family



The wealth you pass to your family can be reduced by UK inheritance tax. Provide a lump sum sufficient to pay this and safeguard the legacy you leave.

A young child with blonde hair, wearing a yellow long-sleeved shirt and blue jeans, stands against a grey wall. An adult's hand is visible at the top left, holding a wooden measuring tape against the child's head. The child is looking to the right. The background is a plain grey wall with a white baseboard. The floor is made of light-colored wood.

**guard your  
ly's legacy**



# The CanProtect Whole of Life Plan

Many people like the idea of protecting their wealth for the future and there are many ways to do so. One approach is to plan for any potential future inheritance tax liability by taking out protection to meet that liability should it arise.

## Protecting your family's inheritance

The idea of not being alive to see your children or grandchildren grow up is not one anyone wishes to think about. But what happens if your family is left with an inheritance tax bill and they either don't have the cash or couldn't access your assets to pay it?

## Whole of life assurance could provide the answer

A whole of life assurance policy is a type of protection plan where you pay regular premiums in order to secure a specified cash sum to be paid out on death, known as the sum assured.

Whole of life assurance cover is designed to last for the whole of your life. By placing the policy in a suitable trust, your family could receive a cash lump sum which they can then use to meet some of or all of the potential inheritance tax liability on your estate.

The CanProtect Whole of Life Plan from Canada Life International Limited is designed to meet this type of need.

As well as inheritance tax planning, the Plan can be used to provide cover in other circumstances such as family protection, business protection or other situations where a lump sum is required on your death.

## The international advantage

The status of our Plan being based on the Isle of Man means that UK resident/non-domiciled individuals taxed using the remittance basis can avoid the potential income tax liabilities incurred on premiums paid into protection products based in the UK.

Your professional adviser will be able to discuss this with you in more detail.

## The CanProtect Whole of Life Plan

The Plan is denominated in Sterling and has been designed with simplicity in mind.

The Plan works by setting the premium you need to pay, for the sum assured you would like, at outset and keeping it the same for the first ten years. When the Plan is ten years old we will review it and your premium is likely to rise if the cost of providing the cover has increased. The new premium is kept the same for the next five years and then reviewed again. If you keep the Plan it will be reviewed every five years. The review after you reach 84 will be the last one and we will fix the premium from that point.

One advantage of the CanProtect Whole of Life Plan is that once we have gathered enough medical evidence to complete the underwriting process and calculate the premium, we won't need to ask you for any further medical evidence.

This Plan is a pure protection policy which has no savings element; if you stop paying the premiums then the cover will end and no benefit will be payable. The Plan will not have a surrender value at any time.

The Plan is aimed at inheritance tax planning and is available to individuals irrespective of their country of residence and domicile. If you are not resident or domiciled in the UK, Isle of Man or Channel Islands then each application will be considered on an individual basis.

It is not necessary that you are resident or domicile in the UK.

It is a requirement that all advice is given and the application form signed in the UK, Channel Islands or Isle of Man.

By placing the policy in a suitable trust the sum assured will be paid to your chosen trustees for the beneficiaries. This can be done before Probate is obtained and the lump sum used to meet any inheritance tax liability on your estate. Your professional adviser will be able to discuss whether placing the Plan in trust will be suitable for your circumstances.

## Built-in flexibility – the inheritance tax increase option

For those Plans accepted on standard terms with no medical rating, you are able to increase the level of cover to offset the effects of changes to your inheritance tax liability.

### The level of cover may be increased on either of the following events:

- Your estate increases in value, causing your inheritance tax liability to increase.
- The UK Government changes inheritance tax rates or bands.

Where your prospective inheritance tax liability has increased as a result of legislative changes to the inheritance tax rates or threshold, you may increase the amount of cover.

For both options, the maximum increase is £250,000 (less any previous increases under this option), and the increase in cover will take effect on the next policy anniversary. Financial evidence will be required and any increase is subject to the maximum sum assured limits.

**The information regarding taxation is based on our understanding of current legislation which may be altered and depends on your individual circumstances.**

## **Built-in flexibility – three ways to set the Plan up**

The CanProtect Whole of Life Plan is designed to pay out a cash sum and offers the flexibility to do this in different ways:

- Single life – the Plan is based on the life of one person and the cash sum will be paid out when they die.
- Joint life, first death – the Plan is based on the lives of two people and the cash sum will be paid out when the first dies.
- Joint life, second death – the Plan is based on the lives of two people and the cash sum will be paid out when the second of the two people dies.

Your personal illustration will provide details of the cash sum which is payable on death.

## **Other uses of the CanProtect Whole of Life Plan**

### **Business protection**

Businesses run as partnerships or small limited companies can face major upheaval if one of the partners, directors or shareholders dies. It may, therefore, be in the interest of the business to be able to buy the shares of the deceased partner or director. This form of protection is called shareholder protection.

In a partnership or small limited liability company, there can be individuals who are relied upon to provide a significant part of the turnover or profit. If this individual or individuals were to die, the company's turnover or profit may fall dramatically. Life cover which pays out under these circumstances is called key person protection.

### **Family protection**

The idea of losing a member of the family is not a subject anyone wishes to dwell on, however, what happens if the main income for the family is lost at the same time?

No one can replace a family member, however, a cash sum may provide some stability in times of need. In addition, a cash sum could provide for losses arising from mortgage debt, school and university fees, or provide your spouse or partner (the term spouse can apply to husband, wife or civil partner) with a cash sum to live off or invest after your death.

### **Service you can rely on**

We set ourselves high standards to ensure you receive the service you expect. To show our commitment to service excellence, we publish and back our service standards with a no-quibble, non-performance penalty system – we believe we are the only international product provider to do this.

As well as the published service standards, we provide:

- Proactive case management.
- A dedicated point of contact for all enquiries offering a flexible approach and aiming to deliver an industry leading experience.
- Fast response to all incoming calls and e-mails.
- Access for your professional adviser to a team of individuals with a wealth of underwriting and technical experience.

At Canada Life, our approach is to offer innovative and client focussed solutions which meet and exceed expectations, all backed by our published service charter.

The CanProtect Whole of Life Plan is the latest innovation from a company with a heritage of success.

### About Canada Life

Canada Life provides insurance and wealth management products and services in the UK, Republic of Ireland, the Isle of Man, Germany and, of course, Canada.

Canada Life group companies are part of The Great-West Lifeco Inc.

### Strength and stability

We understand that you want to rely on a company that is strong, safe and secure. As part of the Great-West Lifeco group we are a constituent of the Financial Times Global 500 world's largest companies. With combined assets under administration of more than £807bn as at 31 December 2018 we have a strong platform for continued growth as a world-class financial services provider.

Ratings are another reflection of our financial strength; Great-West and its subsidiaries have received strong scores from the major ratings agencies. You can view our latest ratings on the 'About us' part of our website [www.canadalife.co.uk](http://www.canadalife.co.uk)

### Important information

This document is based on our understanding of applicable legislation, law and current HM Revenue & Customs practice as at June 2019. It is provided solely for general consideration. The information regarding taxation is based on our understanding of current legislation, which may be altered and depends upon your individual financial circumstances. We recommend that you take your own professional tax advice.



## Service charter – your peace of mind

We are committed to providing superior levels of service, and to demonstrate this we have published a service charter, incorporating our service standards and non-performance penalties we pay out. If you'd like a copy of our service charter, please ask your professional adviser for a copy.

### For further information about Canada Life International Limited, please:

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– your Account Manager or Technical Support on [ican@canadalife.co.uk](mailto:ican@canadalife.co.uk)



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