

PERMANENT LIFE INSURANCE



Protect your family's long-term financial needs

The main types of life insurance

All the main types of life insurance pay a tax-free lump sum benefit upon death and allow you to custom-design your policy with “riders”– various types of additional coverage.

TERM LIFE INSURANCE

- > Provides coverage for a specified term, typically five, 10, 20 or 30 years, and can be renewed for additional terms.
- > Premiums increase with each renewal term.
- > Very affordable premiums, when covering shorter time periods.
- > Suitable for shorter-term needs.

PERMANENT LIFE INSURANCE

- > Can provide guaranteed coverage for life.
- > Premiums can remain level for life.
- > Some policies build cash values, which represent professionally managed investments controlled by the insurance company.
- > Cash values can be applied to premiums, borrowed against, used to purchase an annuity, or received in cash if you terminate your policy.
- > Suitable for lifelong needs, supplementing retirement income and estate planning.

UNIVERSAL LIFE INSURANCE

- > A type of permanent insurance, which can provide guaranteed coverage for life.
- > Includes an investment component of equity, fixed income, cash and GIC options that you control, which generates tax-deferred savings.
- > Flexible premium amounts and policy structure.
- > Suitable for lifelong needs, supplementing retirement income and estate planning.

Talk to your Assante advisor

Do you want the peace of mind knowing your family’s financial security will always be protected? Think permanent life insurance may be right for you? Talk to your Assante advisor to find out more.

Assante provides integrated wealth management solutions to simplify and enhance your life. Your Assante advisor will assess your financial requirements in order to choose the best solution for you from a number of leading financial service providers.



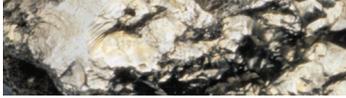
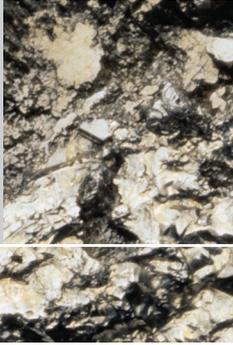
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PROTECT YOUR FAMILY'S LONG-TERM FINANCIAL NEEDS



Are your family's long-term needs protected?

You want your family to be financially secure upon your death, and to be able to maintain their standard of living. You don't want them worrying about a long list of new expenses. For example, a significant tax liability on capital assets you own, taxes on RRSP or RRIF assets, funeral costs, probate fees, and other administrative expenses in settling your estate.

You want to ensure that payment of those expenses will not cause financial hardship for your loved ones, or force them to sell cherished assets to raise the necessary cash.

You may also need to fulfill other estate planning goals that go beyond the payment of taxes and other estate expenses. How can you ensure that all of these financial needs will be met upon your death?

Your solution? A permanent life insurance policy

Permanent life insurance is life-long coverage that pays a tax-free lump sum amount to your beneficiaries on your death. You can use permanent life insurance to:

- > **Provide lifetime support for your family.** Permanent insurance can ensure that after you pass away, your family will always maintain their standard of living. It's especially valuable if you have dependent loved ones who require lifetime financial support. The insurance proceeds can also cover funeral costs, tax liabilities and other final expenses.
- > **Create a legacy for your family.** As an inheritance, permanent insurance can supplement the assets you leave to your family. In addition, you can use

permanent insurance specifically to cover the taxes payable on your estate, so heirs receive the estate's full value. You can use it to equalize the gifts among heirs – for example, leaving the cottage to one child and insurance proceeds to another child.

- > **Leave a legacy to a favourite charity.** Life insurance, thanks to a tax-free payout, can result in a larger gift than if you used other means. You can choose a policy that either provides tax relief to your estate, or gives you charitable donation receipts that reduce your tax annually.

THE DIFFERENT KINDS OF PERMANENT LIFE INSURANCE

Permanent life insurance is an umbrella term for a variety of life insurance products that provide lifelong coverage and level premiums for life. Here are the most common types:

- > **Non-participating whole life** – This product has a guaranteed cash value, which is a savings component within your policy that builds over time. You can use the cash value to pay your premiums (which may affect coverage). You can use your cash value for loans – either taking out a "policy loan" from the insurance company, or using the cash value as collateral for a consumer loan. In addition, you can use it to purchase an annuity, or receive the value in cash if you terminate your policy.
- > **Participating whole life** – This is the same as non-participating whole life except you can also receive dividends, which you can accept in cash, apply to premiums, use to purchase additional coverage, or leave on deposit to earn interest.
- > **Term to 100 insurance** – Term to 100 insurance provides guaranteed coverage to age 100 with level premiums, but typically has no cash value. Consequently, term to 100 coverage can have lower premiums than non-participating or participating whole life insurance.
- > **Universal life insurance** – Universal life insurance combines permanent life insurance with a tax-deferred investment component and can be used as an investment vehicle. Your Assante advisor can provide you with materials on universal life insurance.