



Canada Life segregated funds policies

Advisor product guide

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Overview

Canada Life has a strong and competitive segregated fund lineup, and with a range of guarantee levels, clients have the option to choose what best suits their risk-tolerance needs: [75/75](#), [75/100](#) or [100/100](#).

Help your clients choose from one of the biggest selections of segregated funds in Canada managed by award-winning investment managers. At Canada Life, we practice a disciplined and thorough review process to select and regularly monitor our investment managers, so you can offer your clients these funds with confidence and credibility.

Canada Life segregated funds are available in a wide variety of series to help meet your clients' needs. Different features may be available based on the series your clients choose, including:

- Different fee structures available
- High-net-worth (HNW) pricing opportunities
- Management fee rebates



Helpful hint

For more information about our award-winning fund shelf, see [Introducing the Canada Life segregated funds shelf](#).

➤ For more information about the series and policy features, see the [Canada Life series guide](#).



Benefits for your clients

Protection for their investments: segregated fund policies give clients growth potential while protecting their money with maturity and death benefit guarantees.

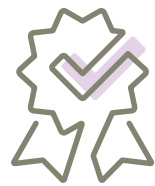
Protect their legacy: clients can help ensure specific beneficiaries take priority over the claims of creditors. In these situations, their segregated fund investments could be protected, even if they owe money, are sued or file for bankruptcy.*

Seamless way to pass on wealth: segregated funds offer clients a simple and straightforward way to pass on their money. Unlike other non-registered investments, the death benefit from their segregated fund policy can go directly to their beneficiaries and won't flow through their estate.**

* Creditor protection depends on court decisions and applicable legislation, which can be subject to change and can vary in each province; it can never be guaranteed. Your client should talk to their lawyer to find out more about the potential for creditor protection for their specific situation.

** In Saskatchewan, executors must disclose all known life insurance policies owned by the deceased, including segregated fund policies. They must list the insurance company, policy number, designated beneficiaries and the value at the date of death.





Guarantee levels and options¹

Segregated fund policies give your clients the opportunity to grow their wealth in the financial markets, while also offering insurance protection on the money they invest. There are three guarantee options available, which clients can choose from based on their needs:

75/75 guarantee policy

A base policy with 75% maturity and death benefit guarantees.

75/100 guarantee policy

More protection with a 75% maturity guarantee and up to a 100% death benefit guarantee.

100/100 guarantee policy

Additional flexibility for the most protection with up to 100% maturity and death benefit guarantees.

¹. All guarantees are reduced proportionally by any redemption. Not all funds are offered on all guarantee levels.

75/75 guarantee policy

Protection with guarantees

This policy offers your clients the most growth opportunities given the lower fees, but without the enhanced maturity and death benefit guarantees found in the 75/100 and 100/100 guarantee policies.

This offers clients a 75% maturity guarantee and 75% death benefit guarantee. Clients are guaranteed at death and maturity to receive the greater of the policy market value or 75% of all contributions, reduced proportionately by any withdrawals.



Helpful hint

For more information on 100% death benefit guarantee on contributions after age 79, see the [Estate Protection product guide](#).

75/100 guarantee policy

More protection with a greater death benefit guarantee

This policy is for pre-retirement and retirement clients who want to secure the value of their contributions when they die but are interested in investment options geared to growing wealth.

The 75/100 guarantee policy offers clients a 75% maturity guarantee and up to a 100% death benefit guarantee.

At the maturity guarantee date, clients are guaranteed to receive the greater of the policy market value or 75% of contributions, reduced proportionately by any withdrawals.

Upon notification of death of the last annuitant, the beneficiary may receive up to 100% death benefit guarantee, which is the greater of the policy market value or a percentage of contributions applied, proportionately reduced by any withdrawals.

- All contributions are immediately 100% guaranteed if contributed prior to age 80 of the youngest annuitant.
- Contributions at age 80 and older have a graded death benefit starting at 75% and reaching 100% death benefit guarantee after the fifth contribution year. Estate Protection policies benefit from an immediate 100% and a graded death benefit does not apply.

100/100 guarantee policy

Additional flexibility for the most protection

This policy provides your clients a 100% return of contribution no matter their investment experience at the maturity guarantee date or the death of the last annuitant. Guarantee amounts are reduced proportionately by any withdrawals.

The maturity guarantee is the greater of the policy market value or:

- 100% of contributions at least 15 years prior to the maturity guarantee date, **plus**
- 75% of contributions for less than 15 years

The death benefit guarantee is the greater of the policy market value or a percentage of contributions applied.

- All contributions are immediately 100% guaranteed if contributed prior to age 80 of the youngest annuitant.
- Contributions at age 80 or older have a graded death benefit starting at 75% and reaching 100% death benefit guarantee after the fifth contribution year.

Customize your clients' portfolios with reset options

Maturity and death benefit guarantee reset options

Automatic annual reset options help clients lock-in market gains. Maturity and death benefit reset options can only be added at time of application, for an additional fee. Once selected, reset options can't be terminated. Reset fees vary based on fund selection and are collected annually from the policy.

Maturity guarantee reset option

For added protection on 100/100 guarantee policies, your clients may select the maturity guarantee reset option, which will automatically increase the maturity guarantee amount on each policy anniversary date (the anniversary of the date first contribution was made), if applicable. A reset occurs if the market value of the policy is greater than the maturity guarantee amount.

These resets occur up to and including the last policy anniversary date that's 15 years prior to the maturity guarantee date. When the maturity guarantee date extends, resets will resume until 15 years prior to the new maturity guarantee date.

Reset fees continue until the maturity guarantee date.



Helpful hint

The reset date can be changed once every 12 months, as long as the revised date is at least 15 years from the next policy anniversary date after the revision is requested.

To ensure that your client can benefit from the reset option, ensure they choose a reset date that's more than 16 years at fund entry date at issue for a reset to apply.

Death benefit guarantee reset option

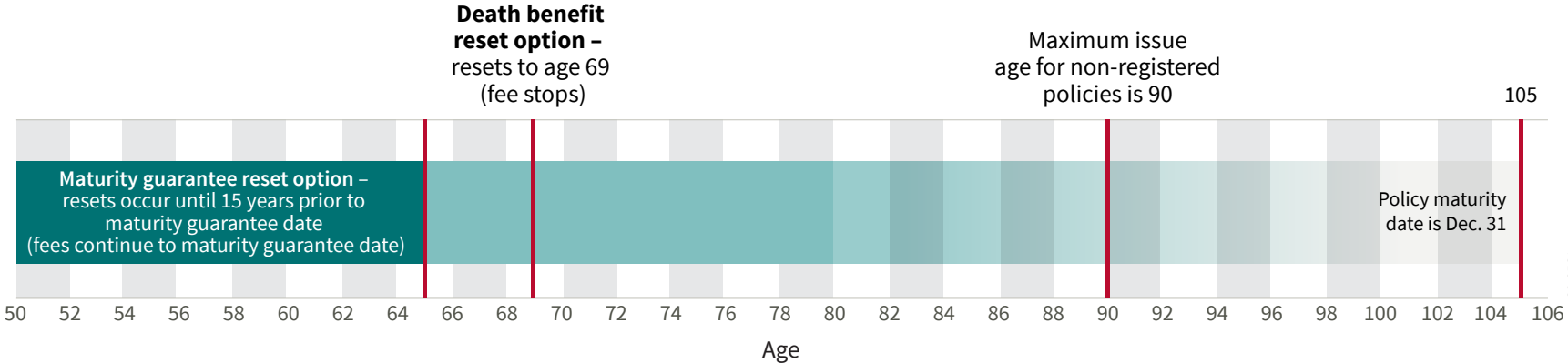
Many clients like segregated funds policies because these policies can help protect their assets in the event of their death. All Canada Life segregated funds policies have death benefit guarantees, but the 75/100 and the 100/100 guarantee policies also offer clients an option that allows them to reset the death benefit guarantee amount annually.

The death benefit guarantee reset option is available at issue when the youngest annuitant is age 68 or younger. This option automatically increases the death benefit guarantee amount each policy anniversary date, if applicable. The reset occurs if the policy market value is **greater** than the death benefit guarantee amount.

Death benefit guarantee resets occur up to and including the last policy anniversary prior to the youngest annuitant turning 70. Reset fees stop when clients are no longer eligible for resets (for example, when the youngest annuitant reaches age 70).

Example: Resets occur automatically and annually

This example is based on a 100/100 guarantee policy. In this example, maturity guarantee resets end at age 65 and death benefit guarantee resets end at age 69 (fee stops).



Dec. 31 the year the client turns 105 may not always be the policy maturity date; this is subject to change, based on the product the client chooses. See the Canada Life segregated funds information folders for more details.

Features and details

Learn more about Canada Life segregated fund policies

Segregated fund policies have a variety of features and benefits that can help your clients protect their investment as they grow their wealth. Get to know Canada Life's segregated fund policies with this chart, which highlights the features and details of our policies.

Looking for tips, hints, and the information you need to know to process sales with segregated funds policies?

↗ Check out the [processing Canada Life segregated fund business chart](#) in this guide.



Helpful hint

For more information about [Estate protection](#), see the product guide.



For more information about preferred series, see the [preferred series pricing options section of this guide](#).

Features and details

Learn more about Canada Life segregated fund policies

Feature	Details																					
Guarantees	<p>75/75 guarantee policy</p> <p>75/100 guarantee policy</p> <p>100/100 guarantee policy</p>																					
Segregated fund sales charge options	<ul style="list-style-type: none"> • Front-end load (FEL) • Chargeback 2 (CB2) • Chargeback 4 (CB4) • Deferred sales charge (DSC)* <p>Unique fund codes exist to differentiate between the available load options</p> <p>Note: Multiple segregated fund load options can be held under one policy</p>																					
Segregated fund sales charge options	<p>Front-end load (FEL): The front-end load is negotiated between you and the policyowner – 0-5% for standard series and partner series and 0-2% for Preferred series 1 and Preferred partner series.</p> <p>CB2 schedule The chargeback amount is determined based on the number of months the contribution has been in the policy before being redeemed:</p> <table border="1" data-bbox="483 1161 1102 1347"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Within 1 year of investing</td> <td>100%</td> </tr> <tr> <td>Between 1 and 2 years</td> <td>92.31-7.69%**</td> </tr> <tr> <td>Thereafter</td> <td>0%</td> </tr> </tbody> </table>	Year	Percentage	Within 1 year of investing	100%	Between 1 and 2 years	92.31-7.69%**	Thereafter	0%	<p>CB4 schedule The chargeback amount is determined based on the number of years the contribution has been in the policy before being redeemed:</p> <table border="1" data-bbox="1344 1063 1942 1339"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Within 1 year of investing</td> <td>100%</td> </tr> <tr> <td>Between 1 and 2 years</td> <td>83.33%</td> </tr> <tr> <td>Between 2 and 3 years</td> <td>66.67%</td> </tr> <tr> <td>Between 3 and 4 years</td> <td>33.33%</td> </tr> <tr> <td>Thereafter</td> <td>0%</td> </tr> </tbody> </table>	Year	Percentage	Within 1 year of investing	100%	Between 1 and 2 years	83.33%	Between 2 and 3 years	66.67%	Between 3 and 4 years	33.33%	Thereafter	0%
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*Effective May 12, 2023, contributions to the deferred sales charge (DSC) option are no longer accepted.

**Within this range, decreases equally by month.

Feature	Details																		
<p>Segregated fund sales charge options</p>	<p>DSC schedule*</p> <p>The redemption amount charge is determined based on the number of years the contribution has been in the policy before being redeemed:</p> <table border="1" data-bbox="478 284 997 706"> <thead> <tr> <th data-bbox="487 297 548 326">Year</th> <th data-bbox="848 297 982 326">Percentage</th> </tr> </thead> <tbody> <tr> <td data-bbox="487 345 659 375">Less than 1 year</td> <td data-bbox="942 345 982 375">5.5</td> </tr> <tr> <td data-bbox="487 391 709 420">1 to less than 2 years</td> <td data-bbox="942 391 982 420">5.0</td> </tr> <tr> <td data-bbox="487 436 709 466">2 to less than 3 years</td> <td data-bbox="942 436 982 466">5.0</td> </tr> <tr> <td data-bbox="487 482 709 511">3 to less than 4 years</td> <td data-bbox="942 482 982 511">4.0</td> </tr> <tr> <td data-bbox="487 527 709 557">4 to less than 5 years</td> <td data-bbox="942 527 982 557">4.0</td> </tr> <tr> <td data-bbox="487 573 709 602">5 to less than 6 years</td> <td data-bbox="942 573 982 602">3.0</td> </tr> <tr> <td data-bbox="487 618 709 647">6 to less than 7 years</td> <td data-bbox="942 618 982 647">2.0</td> </tr> <tr> <td data-bbox="487 664 604 693">Thereafter</td> <td data-bbox="942 664 982 693">0.0</td> </tr> </tbody> </table> <p>Note:</p> <ul data-bbox="487 771 1774 933" style="list-style-type: none"> • Chargeback amounts are paid by you; DSC redemption charges are paid by your client • DSC redemption charges aren't payable upon the death of the last annuitant • Chargeback amounts are payable upon the death of the last annuitant, if that death occurs within 90 days of contribution • For CB2 and CB4, up to 10% of the original purchase units may be redeemed without a chargeback; DSC has an annual 10% free amount 	Year	Percentage	Less than 1 year	5.5	1 to less than 2 years	5.0	2 to less than 3 years	5.0	3 to less than 4 years	4.0	4 to less than 5 years	4.0	5 to less than 6 years	3.0	6 to less than 7 years	2.0	Thereafter	0.0
Year	Percentage																		
Less than 1 year	5.5																		
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Thereafter	0.0																		
<p>Pricing options for affluent clients</p>	<p>Three high-net-worth series options for clients with \$500,000 or more in eligible assets</p> <ul data-bbox="487 1031 758 1128" style="list-style-type: none"> • Preferred series 1 • Preferred partner series • Preferred series 2 <p>➤ For features and details on preferred series pricing options, refer to the preferred series pricing option section.</p>																		

*Effective May 12, 2023, contributions to the deferred sales charge (DSC) option are no longer accepted.

Feature	Details
Automatic switch program/dollar-cost averaging (fund-to-fund)	<ul style="list-style-type: none"> • Gives your clients the ability to exercise a dollar-cost averaging strategy between funds. Possible within the same policy or as a transfer to a different policy (subject to applicable fees) • Frequency: weekly, bi-weekly, monthly, bi-monthly, quarterly, semi-annually, annually • Available from one segregated fund to another or to multiple segregated funds • Not available between different sales charge options (excluding switches of DSC free amounts into FEL 0%) • There are no redemption charges for switches within the same policy and the same load option (i.e., CB2 to CB2 or CB4 to CB4)
Automatic rebalancing	<ul style="list-style-type: none"> • May be set up on new and existing Canada Life segregated funds policies • Frequency: quarterly, semi-annually or annually • Rebalancing tolerance range: 2-10%, in 0.5% increments • There's no additional cost for automatic rebalancing, and short-term trading fees don't apply to rebalancing transactions • Contributions will be allocated according to the client's rebalancing instructions on the next valuation day, assuming rebalancing instructions have been received in good order
Policy maturity date	<p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP:</p> <ul style="list-style-type: none"> • Dec. 31 of the year the annuitant turns 105 (subject to an intact transfer to a registered income policy) <p>TFSA / RRIF / Spousal RRIF / LRIF / PRIF / LIF:</p> <ul style="list-style-type: none"> • Dec. 31 of the year the annuitant turns 105 <p>Non-registered:</p> <ul style="list-style-type: none"> • Dec. 31 of the year the youngest annuitant turns 105
Minimum initial contribution	<p>RRSP / Spousal RRSP / Non-registered / TFSA:</p> <ul style="list-style-type: none"> • \$500 minimum or • \$25 per segregated fund <p>LIRA / Locked-in RRSP / RLSP: (not applicable to Locked-in accounts)</p> <ul style="list-style-type: none"> • \$500 minimum • \$25 per segregated fund <p>RRIF / Spousal RRIF / PRIF / LIF / LRIF / RLIF:</p> <ul style="list-style-type: none"> • \$10,000 minimum (no minimum for intact transfers from above registered savings policies) • \$25 per segregated fund

Feature	Details
<p>Pre-authorized chequing (PAC)</p>	<p>RRSP / Spousal RRSP / Non-registered / TFSA:</p> <ul style="list-style-type: none"> Anytime between the first and the last day of the month (PACs scheduled for non-business days will be withdrawn the following business day) Frequency: weekly, bi-weekly, semi-monthly (15th and last day of the month), monthly, bi-monthly, quarterly, semi-annually, annually \$25 minimum PAC per segregated fund Automatic increases on PAC amounts are available <p>Locked-in RRSP / LIRA / RLSP / RRIF / Spousal RRIF / LRIF / LIF / PRIF / RLIF:</p> <ul style="list-style-type: none"> Not offered
<p>Last age at which contributions can be applied</p>	<p>RRSP / Spousal RRSP / LIRA / Locked-in RRSP / RLSP:</p> <ul style="list-style-type: none"> Last valuation day of the year the annuitant turns 71 <p>Non-registered:</p> <ul style="list-style-type: none"> Age 90 of the youngest annuitant <p>RRIF / Spousal RRIF / LRIF / PRIF / RLIF / TFSA / LIF</p> <ul style="list-style-type: none"> 90
<p>Administrative fees</p>	<ul style="list-style-type: none"> An administrative fee is not applicable on the first two unscheduled withdrawals per policy per calendar year An administrative fee is not applicable on the first 12 fund switches per policy per calendar year A short-term trading fee of up to 2% of the contribution will be applicable if the amount is switched or withdrawn within 90 days of the contribution (not applicable to switches or transfers out of the money market fund) <p>Note: fees are subject to change.</p> <p>See the processing Canada Life segregated fund business chart in this guide for more information on unscheduled withdrawals, fund switches and short term trades</p>

Feature	Details
Short-term trading fees	<ul style="list-style-type: none"> Using funds to time the market or trading on a frequent basis is not consistent with a long-term investment approach. Short-term trading can be detrimental to effective fund management and isn't acceptable in the industry Many financial institutions have processes designed to curtail short-term trading, and at Canada Life, we're no different. We're obligated to protect funds for all policyowners and have always monitored trades for short-term trading practices Where a contribution has been made to a fund for less than 90 consecutive days, Canada Life has the right to charge a short-term trading fee of up to 2% of the amount switched or withdrawn <p>Note: The short-term trading fee isn't applicable to switches out of money market funds to other funds within a policy, however we'll still monitor these transactions. Short-term trading fees may apply to transactions out of other funds and into money market funds (e.g. a transfer from all other segregated funds in a policy into a money market fund where the original fund was held for less than 90 days would still be subject to short-term trading rules.)</p>
DSC-free amount*	<p>DSC-free amount is calculated as:</p> <ul style="list-style-type: none"> 10% of the market value of the deferred sales charge option units as of the end of the previous year, PLUS 10% of any subsequent contribution to deferred sales charge units during the current year, up to and including the withdrawal date, minus any withdrawals made in the current year DSC-free amount is applicable to both scheduled and unscheduled withdrawals Unused portions of the DSC-free amount can't be carried forward to the following year DSC-free amount can only be switched to FEL 0%
Chargeback-free units (CFU)	<ul style="list-style-type: none"> At the beginning of each year, the number of CFU are reset to be equal to 10% of the remaining original purchase units held as of Dec. 31 of the previous calendar year In-year purchases of chargeback units also establish new CFU, numbering 10% of the units purchased When a client makes a redemption from chargeback units for a specific fund, units of that fund that are not subject to a chargeback will be redeemed before units that are subject to a chargeback. CFU cannot be switched to their FEL equivalent annually
Investment loans	Many policies qualify for investment loans, except locked-in policies

*Effective May 12, 2023, contributions to the deferred sales charge (DSC) option are no longer accepted.

Standard/Partner management fee rebates



Clients with more than \$100,000 in assets may qualify for management fee rebates



Rebates are used to buy additional fund units; lowering client investment costs with rebates can help grow the overall value of their portfolio



Estate Protection and money market funds will be included for aggregation purposes but will be excluded from receiving rebates



Rebates are paid quarterly, on the last business day of each quarter. Clients won't receive a transaction confirmation for the additional units that are purchased in their policy through rebates, but a "fee rebate" transaction line will appear on their statement, reflecting the activity in their policy



Management fee rebates vary by fund, series and asset band. Rebates on standard series and partner series are applied on every dollar between \$100,000 and \$499,999 while rebates on PS1 and PPS are applied back to the first dollar invested



Helpful hint

For more information, see the [segregated fund fee rebate Q&A](#).

Features that vary by guarantee level

There are three guarantee options available: 75/75, 75/100 and 100/100. Clients can choose from these guarantee levels based on their needs. Policy features and funds available may vary based on the level they choose.

How it varies by guarantee level

Feature	75/75 guarantee level	75/100 guarantee level	100/100 guarantee level
Policy types	<ul style="list-style-type: none"> • RRSP • Spousal RRSP • Locked-in RRSP • RLSP • Locked-in retirement account (LIRA) • Non-registered • TFSA • RRIF • Spousal RRIF • LIF • Locked-in retirement income fund (LRIF) NL only • Prescribed RRIF (PRIF) SK and MB only • RLIF 	<ul style="list-style-type: none"> • RRSP • Spousal RRSP • Locked-in RRSP • RLSP • Locked-in retirement account (LIRA) • Non-registered • TFSA • RRIF • Spousal RRIF • LIF • Locked-in retirement income fund (LRIF) NL only • Prescribed RRIF (PRIF) SK and MB only • RLIF 	<ul style="list-style-type: none"> • RRSP • Spousal RRSP • Locked-in RRSP • RLSP • Locked-in retirement account (LIRA) • Non-registered • TFSA • RRIF* • Spousal RRIF* • LIF* • Locked-in retirement income fund (LRIF) NL only* • Prescribed RRIF (PRIF) SK and MB only* • RLIF* <p>*For 100/100 guarantee policies, these policy types are only allowed as a result of an intact transfer from a 100/100 guarantee RRSP, Spousal RRSP, Locked-in RRSP RLSP or LIRA policy (as applicable)</p>
Maximum issue age	<p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: Last valuation day of the year the annuitant turns 71</p> <p>Non-registered / RRIF / Spousal RRIF / LRIF / PRIF / RLIF / TFSA: 90</p> <p>LIF: 90</p>	<p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: Last valuation day of the year the annuitant turns 71</p> <p>Non-registered / RRIF / Spousal RRIF / LRIF / PRIF / RLIF / TFSA: 90</p> <p>LIF: 90</p>	<p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: Last valuation day of the year the annuitant turns 71</p> <p>Non-registered / TFSA: 90</p> <p>RRIF / Spousal RRIF / LIF / LRIF / PRIF / RLIF: 71 as a result of an intact transfer from RRSP / Spousal RRSP / LIRA / Locked-in RRSP / RLSP</p>

Feature	75/75 guarantee level	75/100 guarantee level	100/100 guarantee level
Maturity guarantee date	<p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: where the annuitant was less than age 60 when a contribution was first made to the policy: Defaults to Dec. 31 of the year the annuitant turns 71</p> <p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: where the annuitant was age 60 or older when a contribution was first made to the policy: Defaults to Dec. 31 of the year the annuitant turns 80 (subject to intact transfer to a RRIF / Spousal RRIF / PRIF / RLIF / LIF / LRIF as applicable)</p> <p>Non-registered: The maturity guarantee date is Dec. 31 of the year the youngest annuitant turns 105</p> <p>TFSA, RRIF, Spousal RRIF, PRIF, RLIF or LRIF: The maturity guarantee date is Dec. 31 of the year the annuitant turns 105</p> <p>LIF: LIFs legislated all other jurisdictions - the maturity guarantee date is Dec. 31 of the year the annuitant turns 105</p>	<p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: where the annuitant was less than age 60 when a contribution was first made to the policy: Defaults to Dec. 31 of the year the annuitant turns 71</p> <p>RRSP / Spousal RRSP / Locked-in RRSP / LIRA / RLSP: where the annuitant was age 60 or older when a contribution was first made to the policy: Defaults to Dec. 31 of the year the annuitant turns 80 (subject to intact transfer to a RRIF / Spousal RRIF / PRIF / RLIF / LIF / LRIF as applicable)</p> <p>Non-registered: The maturity guarantee date is Dec. 31 of the year the youngest annuitant turns 105</p> <p>TFSA, RRIF, Spousal RRIF, PRIF, RLIF or LRIF: The maturity guarantee date is Dec. 31 of the year the annuitant turns 105</p> <p>LIF: LIFs legislated all other jurisdictions - the maturity guarantee date is Dec. 31 of the year the annuitant turns 105</p>	<ul style="list-style-type: none"> • Policyowners have the option to select an initial maturity guarantee date as long as that date is at least 16 years from the date of the first contribution being applied to the policy and prior or equal to the policy maturity date • If policyowners don't select an initial maturity guarantee date, the default date will be 15 years from the date of the first contribution being applied to the policy • The policyowner may request to revise the maturity guarantee date once every 12 months. The revised date must be at least 15 years from the next anniversary date of the first contribution being applied and prior or equal to the policy maturity date <p>➤ Note: Use change form 46-5959 for revisions to the maturity guarantee date</p>

Feature	75/75 guarantee level	75/100 guarantee level	100/100 guarantee level
<p>What happens on the maturity guarantee date?</p>	<p>On the maturity guarantee date:</p> <ul style="list-style-type: none"> • If the maturity guarantee amount is greater than the policy market value, a top-up for the difference is allocated to the policy • If the policy market value is equal to or greater than the maturity guarantee amount, no top-up is applied • For RRSP / Spousal RRSP / LIRA / RLSP or Locked-in RRSP policies where the maturity guarantee date was applicable at age 71 or 80 of the annuitant as a result of the maturity guarantee carrying over from the registered saving policy to the registered income policy, another maturity guarantee date will be set for the registered income policy. 	<p>On the maturity guarantee date:</p> <ul style="list-style-type: none"> • If the maturity guarantee amount is greater than the policy market value, a top-up for the difference is allocated to the policy • If the policy market value is equal to or greater than the maturity guarantee amount, no top-up is applied • For RRSP / Spousal RRSP / LIRA / RLSP or Locked-in RRSP policies where the maturity guarantee date was applicable at age 71 or 80 of the annuitant as a result of the maturity guarantee carrying over from the registered saving policy to the registered income policy, another maturity guarantee date will be set for the registered income policy. 	<p>RRSP / Spousal RRSP:</p> <p>If the client doesn't provide specific direction, a new maturity guarantee date is established for 15 years from the next anniversary date of when the first contribution was applied. This new maturity guarantee date may fall on a date after the RRSP / Spousal RRSP has rolled over to the RRIF / Spousal RRIF. Once the RRSP / Spousal RRSP has rolled over to the RRIF / Spousal RRIF, it's treated as a RRIF / Spousal RRIF</p> <p>Locked-in RRSP / LIRA / RLSP:</p> <ul style="list-style-type: none"> • If there are 15 years or more to the policy maturity date and the client doesn't provide specific direction, a new maturity guarantee date is established for 15 years from the next anniversary date of when the first contribution was applied. This new maturity guarantee date may fall on a date after the Locked-in RRSP / LIRA / RLSP has rolled over to the LIF / RLIF. Once the Locked-in RRSP / LIRA / RLSP has rolled over to the LIF / RLIF, it's treated as a LIF / RLIF • If there are less than 15 years to the LIF policy maturity date, no new maturity guarantee date is established <p>Non-registered / TFSA:</p> <ul style="list-style-type: none"> • If there are 15 years or more to the policy maturity date and the client doesn't provide specific direction, a new maturity guarantee date is established for 15 years from the next policy anniversary date • If there are less than 15 years to the policy maturity date, no new maturity guarantee date is established <p>RRIF / Spousal RRIF / PRIF / LIF / LRIF / RLIF:</p> <p>No new maturity guarantee date is established</p> <p>Note: If your client has the maturity guarantee reset option on their 100/100 policy, they must choose a maturity guarantee date, at least 16 years or more from fund entry at issue. This date can be changed once every 12 months, as long as the revised date is at least 16 years from the next policy anniversary date after the revision is requested</p>

Feature	75/75 guarantee level	75/100 guarantee level	100/100 guarantee level
Maturity guarantee	<p>The maturity guarantee comes into effect on the maturity guarantee date.</p> <p>The maturity guarantee is the greater of the policy market value or the maturity guarantee amount.</p> <ul style="list-style-type: none"> The maturity guarantee amount is 75% of the contributions to the policy, reduced proportionately by any withdrawals. 	<p>The maturity guarantee comes into effect on the maturity guarantee date.</p> <p>The maturity guarantee is the greater of the policy market value or the maturity guarantee amount.</p> <ul style="list-style-type: none"> The maturity guarantee amount is 75% of the contributions to the policy, reduced proportionately by any withdrawals. 	<p>For the 100/100 guarantee level, the maturity guarantee amount, reduced proportionately by any withdrawals, is the sum of:</p> <ul style="list-style-type: none"> 100% for contributions 15 years or more 75% for contributions for less than 15 years
Death benefit guarantee	<p>The death benefit guarantee takes effect on the date we're notified that the last annuitant has died.</p> <p>The death benefit guarantee is the greater of the policy market value on the date of notification or the death benefit guarantee amount.</p> <ul style="list-style-type: none"> The death benefit guarantee amount is 75% of contributions to the policy, reduced proportionately by any withdrawals. 	<p>The death benefit guarantee takes effect on the date we're notified that the last annuitant has died.</p> <p>The death benefit guarantee is the greater of the policy market value on the date of notification or the death benefit guarantee amount.</p> <p>The death benefit the death benefit guarantee amount, reduced proportionately by any withdrawals, is the sum of:</p> <ul style="list-style-type: none"> 100% of contributions made to the policy when the youngest annuitant is under the age of 80 at the start of the contributions year A graded death benefit for contributions made to the policy when the youngest annuitant is age 80 or older at the start of contributions year as follows: <ul style="list-style-type: none"> 75% in first contributions year 80% in second contributions year 85% in third contributions year 90% in the fourth contributions year 95% in fifth contributions year 100% in sixth and subsequent contributions years <p>Note: death benefit grading doesn't apply to Estate Protection policies.</p>	<p>The death benefit guarantee takes effect on the date we're notified that the last annuitant has died.</p> <p>The death benefit guarantee is the greater of the policy market value on the date of notification or the death benefit guarantee amount.</p> <p>For the 75/100 and 100/100 guarantee levels, the death benefit guarantee amount, reduced proportionately by any withdrawals, is the sum of:</p> <ul style="list-style-type: none"> 100% of contributions to the policy when the youngest annuitant is under the age of 80 at the start of the contribution year A graded death benefit for contributions to the policy when the youngest annuitant is age 80 or older at the start of contribution year as follows: <ul style="list-style-type: none"> 75% in first contribution year 80% in second contribution year 85% in third contribution year 90% in the fourth contribution year 95% in fifth contribution year 100% in sixth and subsequent contribution years <p>Note: death benefit grading doesn't apply to Estate Protection policies.</p>
Maturity guarantee reset option	Not applicable	Not applicable	<ul style="list-style-type: none"> Must be added to a policy at time of application. It can't be terminated once in place Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last policy anniversary that's 15 full years prior to the maturity guarantee date Resets will occur when the policy market value is greater than the maturity guarantee amount When the maturity guarantee date is extended out 15 years or more from the next anniversary date of when the first contribution was applied, resets may resume.

Feature	75/75 guarantee level	75/100 guarantee level	100/100 guarantee level
Death benefit guarantee reset option	Not applicable	<ul style="list-style-type: none"> • Must be added to a policy at the time of application, and the youngest annuitant must be age 68 or younger at policy issue. It can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last anniversary date that's prior to the youngest annuitant turning 70 • Resets will occur when the policy market value is greater than the death benefit guarantee amount 	<ul style="list-style-type: none"> • Must be added to a policy at the time of application, and the youngest annuitant must be age 68 or younger at policy issue. It can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last anniversary date that's prior to the youngest annuitant turning 70 • Resets will occur when the policy market value is greater than the death benefit guarantee amount
Maturity and death benefit guarantee option fees	Not applicable	<ul style="list-style-type: none"> • Fees are calculated annually on the anniversary date when the contribution was applied • Fees are unique to each fund and each reset option, and are based on the market value of each fund on the anniversary date when the contribution was applied • Fees have no bearing on the maturity and/or death guarantee calculations; the reset fee won't proportionately reduce the maturity or death guarantee amount • Fees for each option are charged to a policy and the policyowner can select which segregated fund the fee is to be charged to. If the client doesn't provide specific direction, the reset option fee(s) will be charged as per the current administrative rules • The maturity guarantee reset option fee is charged up to and including the last anniversary date immediately prior to the last maturity guarantee date • The death benefit guarantee reset fee is charged up to and including the last policy anniversary date before the youngest annuitant turns 70 	<ul style="list-style-type: none"> • Fees are calculated annually on the anniversary date when the contribution was applied • Fees are unique to each fund and each reset option, and are based on the market value of each fund on the anniversary date when the contribution was applied • Fees have no bearing on the maturity and/or death guarantee calculations; the reset fee won't proportionately reduce the maturity or death guarantee amount • Fees for each option are charged to a policy and the policyowner can select which segregated fund the fee is to be charged to. If the client doesn't provide specific direction, the reset option fee(s) will be charged as per the current administrative rules • The maturity guarantee reset option fee is charged up to and including the last anniversary date immediately prior to the last maturity guarantee date • The death benefit guarantee reset fee is charged up to and including the last policy anniversary date before the youngest annuitant turns 70

Processing Canada Life segregated fund business

Process	Details
<p>Transaction authorization (TA)</p>	<p>The transaction authorization (TA) form provides you with your client's authorization to accept their verbal instructions for the following:</p> <ul style="list-style-type: none"> • Subsequent contributions • Switches • Withdrawals • Direct the payment of contributions from loans, accumulating dividends or endowment maturity proceeds • Request a contribution from a non-registered policy to a registered policy as long as both policies are owned by the same person and are within the same product type • Changes to automatic partial redemptions (APR) and pre-authorized chequing (PAC) as follows: <ul style="list-style-type: none"> • Stop and/or restart within six months • Change the frequency, dollar amount, run date and/or fund allocation • Changes to address <p>One TA is needed per client, per policy type (i.e. one TA needed for individual policies, an additional TA needed for joint policies.) TAs are valid for joint policyowners as well as individuals.</p> <p>When transacting on verbal instructions, you'll need to complete and send in original forms for all transactions, keep a copy for your files and complete a record of verbal trading instructions for your files, too.</p> <p>TA's aren't permitted for in-trust policies and corporate policies.</p> <p>TA's don't apply to policies with irrevocable beneficiaries, and don't apply to the Real Estate Fund, switches and redemptions of more than \$10,000.</p>
<p>Fund switches</p>	<p>12 switches between segregated funds per policy per calendar year are allowed without being subject to an administration fee.</p> <p>Switches:</p> <ul style="list-style-type: none"> • Don't affect maturity and/or death benefit guarantees, as long as the switches are within the same policy • Are available between the same load option (e.g. chargeback to chargeback), subject to applicable fees • Are available from DSC free units to FEL 0%, subject to applicable fees • Are available from CB2 or CB4 to FEL 0% (full switch only), subject to applicable fees • No chargeback or redemption charges for switches within the same policy and the same load option (e.g. CB2 to CB2); 'DSC free amount' cannot be switched to DSC or CB • Aren't available from FEL to DSC, FEL to CB, DSC to CB or from CB to DSC • Switches between different segregated funds in a non-registered policy is a taxable disposition and may result in a capital gain or capital loss <p>❗ Important: A short-term trading fee may be applied for switches made within 90 days of a contribution being applied to a fund. Short-term trading fees do not apply to switches out of a money market fund.</p>

Process	Details
<p>Scheduled income payments</p>	<p>RRSP / Spousal RRSP / LIRA / Locked-in RRSP / RLSP / Non-registered / TFSA: Not applicable</p> <p>RRIF / Spousal RRIF / PRIF / LIF / LRIF / RLIF:</p> <ul style="list-style-type: none"> • Can be any day from the 1st to the 31st of the month (for months with less than 31 days, the payment would run on the final business day of the month if the 31st is chosen) • Can be paid by cheque or electronic funds transfer (EFT) • Payment options are: <ul style="list-style-type: none"> • Legislative minimum • Legislative maximum (LIF, RLIF and LRIF only) • Equal payments (subject to legislative minimums/maximums) • Frequency options are: bi-weekly, monthly, semi-monthly (15th and last day of month), bi-monthly (every two months), quarterly, semi-annually, annually • Automatic indexing of income payments is not available <p>DSC-free amount*: Up to 10% of the policy market value may be redeemed free of DSC redemption charges (see DSC-free amount section for details)</p> <p>Note: oldest contributions of a fund are redeemed first (first in, first out).</p> <p>↩ See DSC-free amount section for details.</p> <p>ⓘ Note: oldest contributions of a fund are redeemed first (first in, first out).</p> <p>CB-free units: Up to 10% of the original purchase units may be redeemed without a chargeback.</p> <p>↩ See the Understanding chargeback calculations for details.</p>
<p>Automatic partial redemptions (APR)</p>	<p>RRSP / Spousal RRSP / LIRA / Locked-in RRSP / RLSP / RRIF / Spousal RRIF / PRIF / LIF / LRIF / RLIF: Not applicable</p> <p>Non-registered / TFSA:</p> <ul style="list-style-type: none"> • Minimum of \$7,500 policy market value required to begin an APR • Minimum \$1,000 policy market value and \$500 market value per segregated fund must be maintained • Minimum of \$25 must be redeemed from any single segregated fund • May be subject to DSC/CB, administrative fees and applicable withholding tax • Must specify redemption amount either gross or net of applicable fees • Can be any day from the 1st to the 31st of the month (for months with less than 31 days, the payment would run on the final business day of the month if the 31st is chosen) • Can be paid by cheque or electronic funds transfer (EFT) • Frequency options are: bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually, annually • Automatic indexing on APR is not available <p>DSC-free amount*: Up to 10% of the policy market value may be redeemed free of DSC redemption charges.</p> <p>↩ See DSC-free amount section for details.</p> <p>CB-free units: Up to 10% of the original purchase units may be redeemed without a chargeback.</p> <p>↩ See Understanding chargeback calculations or details.</p>

Process	Details
<p>Unscheduled redemptions</p>	<ul style="list-style-type: none"> • Two unscheduled redemptions permitted per policy per calendar year free of administrative charges • Unscheduled redemptions may be subject to DSC/CB and/or short-term trading fees and applicable withholding tax • Minimum \$500 (\$25 per segregated fund) may be redeemed <p>LIF, RLIF and LRIF: Subject to legislative maximums</p> <p>RRSP / Spousal RRSP / LIRA / Locked-in RRSP / RLSP / Non-registered / TFSA: Minimum \$1,000 policy market value and \$500 per segregated fund must be maintained</p> <p>RRIF / Spousal RRIF / PRIF / LIF / LRIF / RLIF: Minimum \$1,000 policy market value and \$500 per segregated fund must be maintained</p> <p>DSC-free amount: Up to 10% of the policy market value may be redeemed free of DSC redemption charges.</p> <p>↩ See DSC-free amount section for details.</p> <p>ⓘ Note: Note: oldest contributions of a fund are redeemed first (first in, first out)</p> <p>CB-free units: Up to 10% of the original purchase units may be redeemed without a chargeback.</p> <p>↩ See Understanding chargeback calculations for details.</p>
<p>Transfers</p>	<p>Please see the transfer guidelines for information on transfers and transfer types.</p> <p>When making transfers, send all completed paperwork to head office for processing.</p> <p>ⓘ Note: transfers to a registered income 100/100 guarantee policy are only permitted as intact transfers from a registered savings 100/100 guarantee policy.</p>
<p>Tax reporting</p>	<ul style="list-style-type: none"> • Payments from registered policies are fully taxable in the year payments are processed • Interest, dividends and capital gains earned in unregistered policies must be included as taxable income in the year received • This is general information and is not intended to be tax advice. Clients should consult tax professionals for their unique needs.
<p>Policyholder statements (copies provided to advisors)</p>	<ul style="list-style-type: none"> • Preferred series 1, Preferred partner series and Preferred series 2 receive semi-annual statements. <p>↩ For more information on these series, see the preferred series pricing options section of this guide.</p> <ul style="list-style-type: none"> • Standard series and partner series receive semi-annual statements
<p>Transaction confirmations</p>	<p>You'll receive copies of transaction confirmations</p>



Helpful hints to avoid not in good order errors

These errors are commonly found on applications:



No guarantee level is selected (e.g. 75/75 guarantee)



The fund code isn't included, or the fund code and load option selected don't match



No sales charge option is selected



Signatures are missing

Please ensure all paperwork, and in particular, policy applications and instructions are clear and concise.



If required information is not received in good order it may be returned to you for clarification. This measure protects the interests of your client and helps avoid hard-to-fix mistakes.

Preferred series pricing options

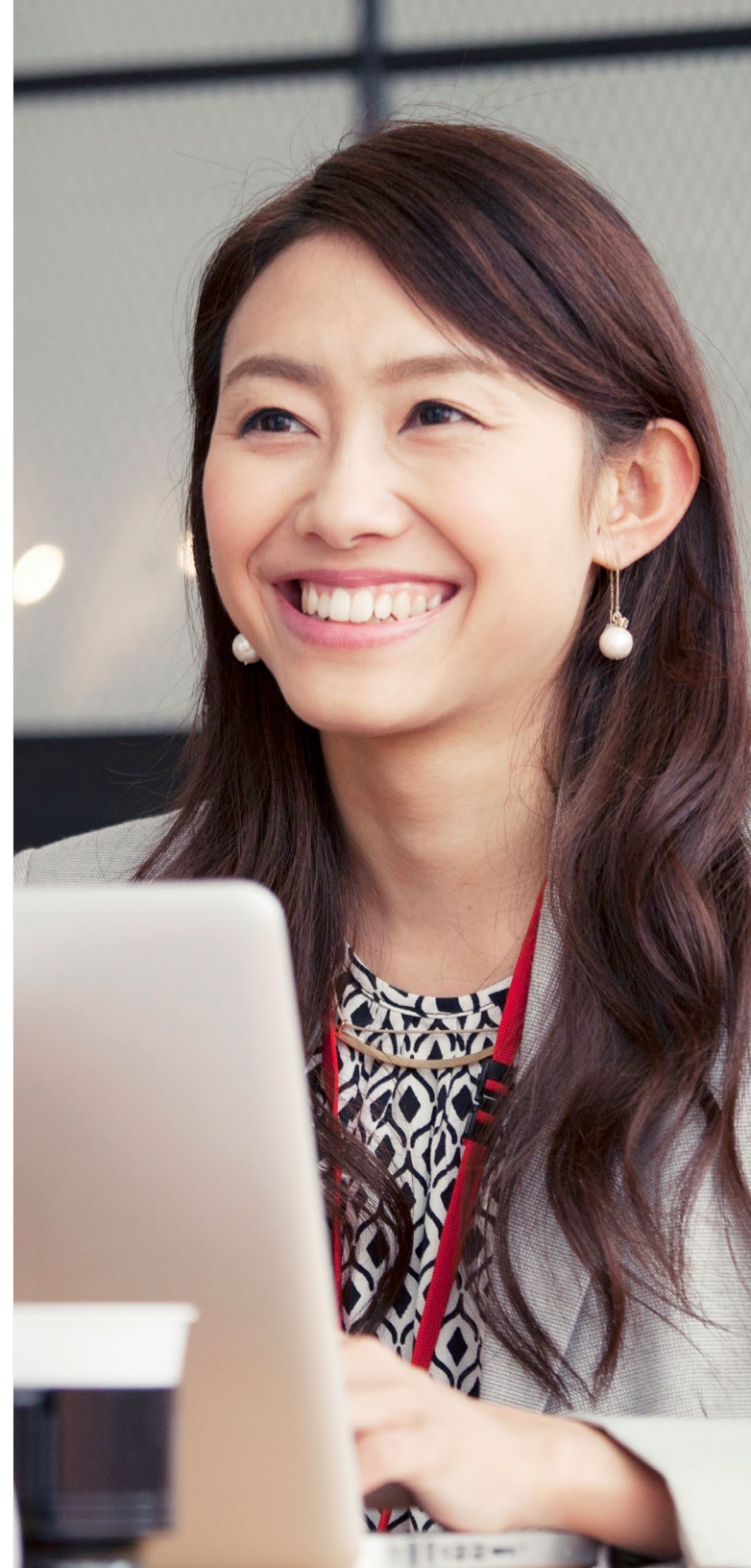
Investment options for affluent clients

Canada Life offers reduced segregated funds pricing for clients with \$500,000 or more in assets with Canada Life. The pricing, called preferred series, gives you and your clients three options to choose from, while maintaining the same full line-up of guarantees, funds and policies you're familiar with.

Preferred series pricing provides all the standard benefits of segregated funds policies, such as potential creditor protection, privacy, estate bypass, maturity and death benefit guarantees and maturity and death benefit reset options.¹ Depending on the pricing option chosen, preferred series offers features such as fee negotiation and fee transparency.

One of the distinct features of preferred series is the ability for you and your clients to consider a variety of assets the client already has invested with Canada Life as part of the minimum \$500,000 in assets required for preferred pricing.

¹In Saskatchewan, executors must disclose all known life insurance policies owned by the deceased, including segregated fund policies. They must list the insurance company, policy number, designated beneficiaries and the value at the date of death.





Preferred series options to suit your clients' needs

Preferred series 1

Preferred series 1 is designed for affluent clients who seek a reduced investment management fee (IMF).

Preferred partner series

Preferred partner series is designed for affluent clients who seek a reduced IMF, increased fee transparency and negotiated compensation. Clients are able to negotiate a separately charged advisory and management service (AMS) fee with their advisor.

Preferred series 2

Preferred series 2 is designed for affluent clients who seek a reduced IMF, full fee transparency, and a separately charged AMS fee.



Helpful hint

For preferred series 1, preferred partner series and preferred series 2 pricing options, Canada Life will consider a number of different assets already invested with Canada Life as part of the minimum \$500,000 in assets required to qualify. Defining which assets can be considered is referred to as aggregation rules.

Qualifying for preferred series

There are a number of ways that clients can qualify for preferred series and preferred partner series pricing. Clients can make new contributions, transfer in assets from another financial institution, and/or consolidate assets already held with Canada Life.



Please see the household eligible assets form ([HEAF](#)) guide for more information.

Features and details of preferred series

Feature	Preferred series 1	Preferred partner series	Preferred series 2
Choice of funds	<p>Canada Life offers you great options to build a portfolio tailored to your client:</p> <ul style="list-style-type: none"> • Professionally developed fund solutions: <ul style="list-style-type: none"> • Asset allocation funds • Income allocation funds • Managed fund solutions • Stand-alone funds for customized portfolio 	<p>Canada Life offers you great options to build a portfolio tailored to your client:</p> <ul style="list-style-type: none"> • Professionally developed fund solutions: <ul style="list-style-type: none"> • Asset allocation funds • Income allocation funds • Managed fund solutions • Stand-alone funds for customized portfolios 	<p>Canada Life offers you great options to build a portfolio tailored to your client:</p> <ul style="list-style-type: none"> • Professionally developed fund solutions: <ul style="list-style-type: none"> • Asset allocation funds • Income allocation funds • Managed fund solutions • Stand-alone funds for customized portfolios
Guarantees	<p>Canada Life offers 75/75, 75/100 and 100/100 guarantee levels on our preferred pricing options. This allows you to customize your recommendation to best suit client needs.</p>	<p>Canada Life offers 75/75, 75/100 and 100/100 guarantee levels on our preferred pricing options. This allows you to customize your recommendation to best suit client needs.</p>	<p>Canada Life offers 75/75, 75/100 and 100/100 guarantee levels on our preferred pricing options. This allows you to customize your recommendation to best suit client needs.</p>
Maturity guarantee reset option	<p>75/75 and 75/100 guarantee levels: Not applicable</p> <p>100/100 guarantee level:</p> <ul style="list-style-type: none"> • Must be added to a policy at time of application, and can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last policy anniversary that is 15 full years prior to the maturity guarantee date • Resets will occur when the policy market value is greater than the maturity guarantee amount • When the maturity guarantee date is extended out 15 years or more from the next anniversary date of when the first contribution was applied, resets may resume 	<p>75/75 and 75/100 guarantee levels: Not applicable</p> <p>100/100 guarantee level:</p> <ul style="list-style-type: none"> • Must be added to a policy at time of application, and can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last policy anniversary that is 15 full years prior to the maturity guarantee date • Resets will occur when the policy market value is greater than the maturity guarantee amount • When the maturity guarantee date is extended out 15 years or more from the next anniversary date of when the first contribution was applied, resets may resume 	<p>75/75 and 75/100 guarantee levels: Not applicable</p> <p>100/100 guarantee level:</p> <ul style="list-style-type: none"> • Must be added to a policy at time of application, and can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last policy anniversary that is 15 full years prior to the maturity guarantee date • Resets will occur when the policy market value is greater than the maturity guarantee amount • When the maturity guarantee date is extended out 15 years or more from the next anniversary date of when the first contribution was applied, resets may resume

Feature	Preferred series 1	Preferred partner series	Preferred series 2
<p>Death benefit guarantee reset option</p>	<p>75/75 guarantee level: Not applicable</p> <p>75/100 and 100/100 guarantee levels:</p> <ul style="list-style-type: none"> • Must be added to a policy at the time of application, and the youngest annuitant must be age 68 or younger at policy issue. It can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last anniversary date that's prior to the youngest annuitant turning 70 <p>Resets will occur when the policy market value is greater than the death benefit guarantee amount</p>	<p>75/75 guarantee level: Not applicable</p> <p>75/100 and 100/100 guarantee levels:</p> <ul style="list-style-type: none"> • Must be added to a policy at the time of application, and the youngest annuitant must be age 68 or younger at policy issue. It can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last anniversary date that's prior to the youngest annuitant turning 70 <p>Resets will occur when the policy market value is greater than the death benefit guarantee amount</p>	<p>75/75 guarantee level: Not applicable</p> <p>75/100 and 100/100 guarantee levels:</p> <ul style="list-style-type: none"> • Must be added to a policy at the time of application, and the youngest annuitant must be age 68 or younger at policy issue. It can't be terminated once in place • Annual automatic resets, if applicable, occur on the anniversary date of when the first contribution was applied, up to and including the last anniversary date that's prior to the youngest annuitant turning 70 <p>Resets will occur when the policy market value is greater than the death benefit guarantee amount</p>
<p>Fees</p>	<p>Preferred series 1 has a fee structure that's similar to standard series.</p> <p>Fees are embedded and charged through a management expense ratio (MER). The only difference is the MERs on preferred series 1 are lower than the MERs on standard series.</p> <p>You have the option of charging a front-end load (FEL) fee of up to 2%. You also have the option of selling preferred series 1 as or CB2 or CB4.</p> <p>Trailing commissions for front end load are generally 100 bps for equity and balanced funds, 50 bps for fixed income funds and 25 bps for money market.</p>	<p>Preferred partner series has a fee structure that's similar to partner series. Management fees and operating expense fees are embedded and charged through the MER, while a separately negotiated AMS fee is unbundled and charged directly to the client through a redemption of units.</p> <p>The AMS fee is negotiated between you and your client and can be anywhere from 0.5% to 1.25%. By customizing this fee with clients, you can create and tailor your own preferred pricing for the services you provide.</p>	<p>Preferred series 2 offers pricing that's not embedded in the fund. Rather, it's transparent, meaning it's unbundled and charged to the client directly through redemption of units. There are two fees charged to the client: the management fee (includes the IMF and operating expense fee), and the AMS fee.</p> <p>The AMS fee is negotiated between you and your client and can be anywhere from 0.5% to 1.25%.</p> <p>By customizing and negotiating this fee with clients, you can create and tailor your own preferred pricing for the services you provide.</p> <p>Note: If clients wish to apply different AMS fees to different policies holding preferred series 2, this is possible, but requires separate preferred series 2 fee agreements.</p>
<p>Fee agreement</p>	<p>Fees are embedded and charged through a management expense ratio (MER). Because of this, a separate fee agreement does not apply.</p>	<p>The preferred partner series fee agreement is an agreement between you, your client and Canada Life. It outlines the AMS fees associated with investing in partner series and preferred partner series.</p>	<p>The preferred series 2 fee agreement is an agreement between you, your client and Canada Life. It outlines the IMF and operating expense fees and the AMS fees associated with investing in preferred series 2. It also provides individual pricing applicable to the client based on their eligible total combined assets and fund selection.</p>


Feature	Preferred series 1	Preferred partner series	Preferred series 2
<p>Price banding and Management fee rebates (MFR)</p>	<p>Clients can take advantage of even lower IMFs as they grow their assets and qualify for MFR. With preferred series 1 and preferred partner series, clients will qualify for MFR, back to dollar one, as their eligible assets exceed \$1 million. As client assets grow through the different asset bands, they may qualify for even greater MFR.</p>	<p>Clients can take advantage of even lower IMFs as they grow their assets and qualify for MFR. With preferred series 1 and preferred partner series, clients will qualify for MFR, back to dollar one, as their eligible assets exceed \$1 million. As client assets grow through the different asset bands, they may qualify for even greater MFR.</p>	<p>Dollar-one banding:</p> <p>With preferred series 2 banded pricing, clients can take advantage of the best price on all of their preferred series 2 invested assets. Some competitors may offer tiered pricing with a slightly lower price point at each tier. However, clients may only receive the reduced price for the assets that cross into that specific tier, and not on all of their invested assets.</p> <p>Clients receive the preferred banded price on all of their preferred series 2 assets, so there's no need to figure out what portion of assets receives a specific price.</p> <p>This means that the more eligible assets a client has invested with Canada Life, the lower the IMF.</p> <p>The IMF band and corresponding fee rate a client qualifies for, is calculated using total aggregated assets rather than simply the investment in the series.</p> <p>There are six preferred series IMF pricing bands:</p> <ul style="list-style-type: none"> • Below \$500,000 • \$500,000 - \$999,999.99 • \$1,000,000 - \$2,499,999.99 • \$2,500,000 - \$4,999,999.99 • \$5,000,000 - \$9,999,999.99 • \$10,000,000+ <p>A unique aspect of preferred series 2 is that the banded pricing is calculated daily. Pricing depends not only on client contributions to the preferred series 2 policy, but also on the market value of their aggregated assets. As clients move between bands, the pricing will change and clients may enjoy lower, or encounter higher pricing, depending on the band they're in.</p> <p>It's best for clients to invest more than the minimum of a band to avoid higher fees associated with crossing into a lower band due to market fluctuations.</p>

Preferred series comparison

This chart provides an at-a-glance comparison of the differences between preferred series 1, preferred partner series and preferred series 2.

Feature	Preferred series 1	Preferred partner series	Preferred series 2
Client type	Affluent clients looking for a reduced management fee.	Affluent clients looking for a reduced management fee and increased fee transparency.	Affluent clients looking for a reduced management fee and full fee transparency.
Minimum total household assets	\$500,000	\$500,000	\$500,000
Minimum initial investment	\$500 for non-registered, RRSP and TFSA and \$10,000 for a RRIF	\$500 for non-registered, RRSP and TFSA and \$10,000 for a RRIF	\$500 for non-registered, RRSP and TFSA and \$10,000 for a RRIF
Contracts required	Canada Life segregated funds contract	Canada Life segregated funds contract	Canada Life segregated funds, preferred series 2 contract
Information folder	Canada Life segregated funds information folder, including standard series, preferred series 1, partner series, and preferred partner series. You can access the information folder online – don't forget to bookmark the page for easy access.	Canada Life segregated funds information folder, including standard series, preferred series 1, partner series, and preferred partner series. You can access the information folder online – don't forget to bookmark the page for easy access.	Canada Life preferred series 2 segregated funds information folder. You can access the information folder online – don't forget to bookmark the page for easy access.
Asset aggregation schedule	Yes (form 46-8459)	Yes (form 46-8459)	Yes (form 46-8459)
Preferred partner series fee agreement	No	Yes	No
Preferred series 2 fee agreement	No	No	Yes

Feature	Preferred series 1	Preferred partner series	Preferred series 2
Available load options	FEL (0-2%) and CB2 and CB4 options available.	FEL only (0-2%)	FEL only (0-2%)
Advisory and management service (AMS) fee	Not applicable	Negotiated AMS fee of 0.5% to 1.25%, calculated daily and charged monthly.	Negotiated AMS fee of 0.5% to 1.25%, calculated daily and charged monthly.
Management fee (includes IMF and operating expense fee)	Fees are embedded in fund through the MER.	Fees are embedded in fund through the MER.	IMF and operating expense fee are charged separately through redemption of units. Calculated daily, accrued and charged monthly. IMF banded rates decline as assets increase (new rates are applied to the entire balance).
Management Fee Rebates	Yes	Yes	No (banded IMF)
Account registration	Client-held	Client-held	Client-held
Investment loan eligible	Yes	Yes	Yes
Subsequent contribution and pre-authorized chequing (PAC)	<p>\$100 minimum for non-registered, RRSP and TFSA. \$1000 for a RRIF; \$25 minimum per fund, \$25 minimum PAC.</p> <p>All standard PAC and systematic withdrawal plan (SWP) options available.</p> <p>Pre-authorized chequing is not available under locked-in registered retirement savings accounts, locked-in retirement accounts, restricted locked-in savings plans and registered retirement income funds.</p>	<p>\$100 minimum for non-registered, RRSP and TFSA. \$1000 for a RRIF; \$25 minimum per fund, \$25 minimum PAC.</p> <p>All standard PAC and systematic withdrawal plan (SWP) options available.</p> <p>Pre-authorized chequing is not available under locked-in registered retirement savings accounts, locked-in retirement accounts, restricted locked-in savings plans and registered retirement income funds.</p>	<p>\$100 minimum for non-registered, RRSP and TFSA. \$1000 for a RRIF; \$25 minimum per fund, \$25 minimum PAC.</p> <p>All standard PAC and systematic withdrawal plan (SWP) options available.</p> <p>Pre-authorized chequing is not available under locked-in registered retirement savings accounts, locked-in retirement accounts, restricted locked-in savings plans and registered retirement income funds.</p>

 **Helpful hint:** For more information see the [segregated fund fee rebate program Q&A](#).



Helpful hints with preferred series

Qualifying for preferred series may be easier than your clients think.

Here are some tips and tricks to keep in mind when your clients come to you with questions about these series:

- Encourage clients to invest more than the minimums. Clients whose market value may be close to asset band thresholds risk that if the market declines, they may receive less management fee rebates (in the case of Preferred Series 1 and Preferred Partner Series), or may pay a slightly higher investment management fee (in the case of Preferred Series 2). Investing more will help ensure they stay above these thresholds and slowly get closer to higher thresholds for even greater savings.
- Encourage clients to disclose all assets, for aggregation. Canada Life won't consider assets that aren't disclosed. If your clients want assets considered for aggregation purposes, they should let you know. Don't forget, assets must also be included on the preferred series fee agreement for preferred series 2.
- Don't miss an opportunity to get better pricing for your clients. Gather maximum assets; the higher the value of qualifying assets a client invests, the better the pricing they'll get with preferred series.
- Watch withdrawals. Withdrawals will reduce assets and could mean higher pricing for your clients, if their assets fall below the preferred series minimums.

This is general information and is not intended to be tax advice. Clients should consult tax professionals for their unique needs.

See your Canada Life segregated fund marketing toolkit for forms, applications and more point-of-sale information

A description of the key features of the segregated fund policy is contained in the information folder



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