

Estate Protection product Q&A

What is Estate Protection?

A Great-West Life Estate Protection policy allows you to help your 80-90-year-old clients leave a meaningful legacy. As a segregated funds policy (available only as 75/100 guarantee), it has protection features crucial to estate planning. It also offers growth potential for their investments.

What's the opportunity for Estate Protection?

This population of retirees (age 80-90 years) represents a growing key target market for intergenerational wealth transfer. According to Investor Economics, it is projected that between 2015 and 2024, 1.2 million intergenerational wealth transfer events will occur in Canada. This projected transfer will put a great deal of money in motion.

Is Estate Protection a segregated funds policy?

Yes, Estate Protection is a type of segregated funds policy offered by Great-West Life.

What types of policies are available as part of Estate Protection?

The policy types available are: non-registered, TFSA, RRIF, spousal RRIF, LIF**, RLIF, PRIF, LRIF.

What is the sales charge on Estate Protection policies?

Front end load (FEL) zero per cent also known as no-load is the only sales charge available for Estate Protection policies.

Why is a deferred sales charge (DSC) option not available?

It's important for clients in this age group to not be charged DSC, therefore the only sales charge available is a FEL zero per cent.

Are there additional fees for Estate Protection policies?

The fees for Estate Protection are similar to those available on our 75/100 guarantee segregated funds.

Are preferred series funds available on Estate Protection?

Preferred series segregated funds are not available on the Estate Protection fund shelf but the assets within an Estate Protection policy can be included as part of the household aggregation to enable other products to become eligible for preferred series pricing.

What is the minimum amount required to open an Estate Protection policy?

The initial premium for opening an Estate Protection policy is \$10,000. After that, a client can set up pre-authorized lump-sum contributions. For more information, refer to the advisor guide.

What are the guarantees on Estate Protection?

- **Death benefit guarantee:** The death benefit minimum amount is 100 per cent of the premiums allocated to the segregated funds before the last annuitant reaches age 91, reduced proportionally by any withdrawals.
- **Maturity guarantee:** The maturity guarantee amount is 75 per cent of the value of the original investment, or the current market value if it's greater, reduced proportionally by any withdrawals.

- The maturity guarantee date for Estate Protection policies is December 28 of the year the younger annuitant is or would have turned 105. As long as one annuitant is living, the maturity guarantee date is applicable, even if the younger annuitant has died.

What happens on the policy maturity date?

The policy maturity date is December 28 of the year the younger annuitant is or turns 105. After any maturity guarantee processing, and if no alternate direction is received from the policyowner, monthly payments will begin within an income annuity.

- Non-registered policy: 12-month term annuity
- TFSA policy: 12-month term annuity
- RRIF*: single-life annuity with a ten-year guarantee period

Are joint annuitants allowed on Estate Protection policies?

Yes, you can set up a joint annuitant with an Estate Protection policy. The policy is based on the younger annuitant's age so both must be 80 at time of issue and the maximum issue age is 90.

What is the maximum issue age?

The maximum issue age for an Estate Protection policy is 90 years, based on the younger annuitant. In the case of joint annuitants, the policy dates/values are always based on the younger annuitant, so as long as the younger of the two of them is 80-90 years old, an Estate Protection policy can be set up.

Is the death benefit reset option available?

No, a death benefit reset is not available on Estate Protection policies.

Is there a change to any systems I use today?

Estate Protection funds can be selected on Investment Centre using the usual functions/processes that are used for selecting segregated funds. Make sure you are entering the correct fund code specific for Estate Protection. For a complete list of fund codes, refer to your Product at a glance.

Can my client see their Estate Protection policy information online?

Yes, your client can see their Estate Protection policy online through Investment summary. For more information about how to sign up your clients, check out our advisor guide.

What administrative support is available to help me with these changes?

If you have specific administrative questions, please contact the Client Service Centre at 1-800-665-5758.

* This includes all available registered income policy types.

** LIFs legislated in Newfoundland and Labrador and New Brunswick are not eligible due to the legislated policy maturity date being lower than age 105.