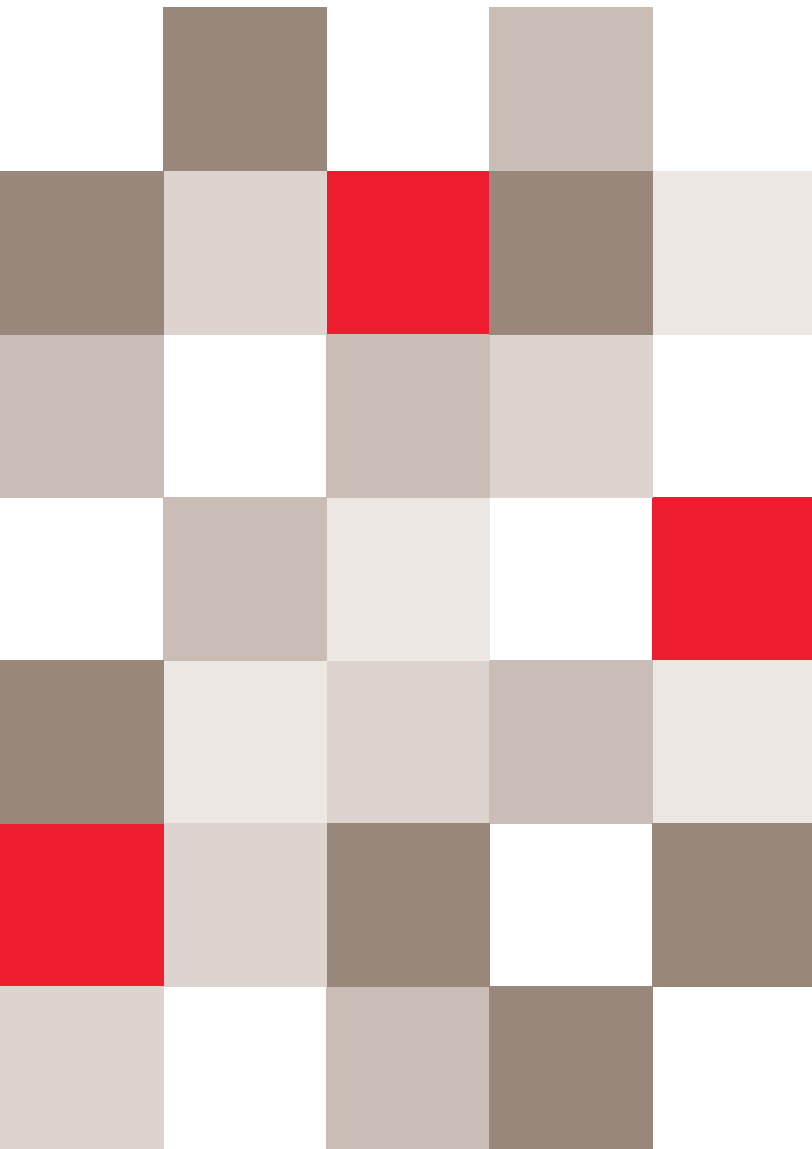


Millennium universal life insurance

INTEREST OPTIONS



Permanent protection that can change with you

Permanent protection that can change with you



Millennium may be the only life insurance policy you ever need. As your family, business and individual needs change, it has the flexibility to change with you.

Millennium offers versatile permanent life insurance protection with a tax-advantaged investment component. It allows you to customize your life insurance coverage to fit your lifestyle, budget and investment objectives.

The information in this brochure will help you choose the interest-option mix that best meets your risk tolerance and financial goals.

To keep pace with your changing needs, we recommend you regularly review your policy and interest-option mix with your advisor*.

* In Quebec, advisor refers to a financial security advisor for individual insurance and segregated fund policies; and to an advisor in group insurance/annuity plans for group products.

Interest options

Millennium universal life insurance offers you a wide range of interest options. Taking into account the amount of risk you're comfortable with, combined with your financial objectives and circumstances, you can develop an interest-option mix as unique as you are. Or, if you want the power of diversification with the simplicity of a single investment choice, one of the *Millennium* profile options could be your answer.

When selecting your interest options, you should consider the volatility of each interest option and consult with your advisor.

Choose from the following interest options currently available with *Millennium universal life insurance*:

- Daily interest option
- Guaranteed interest options
- Variable interest options
- *Millennium* profile options

Daily interest option

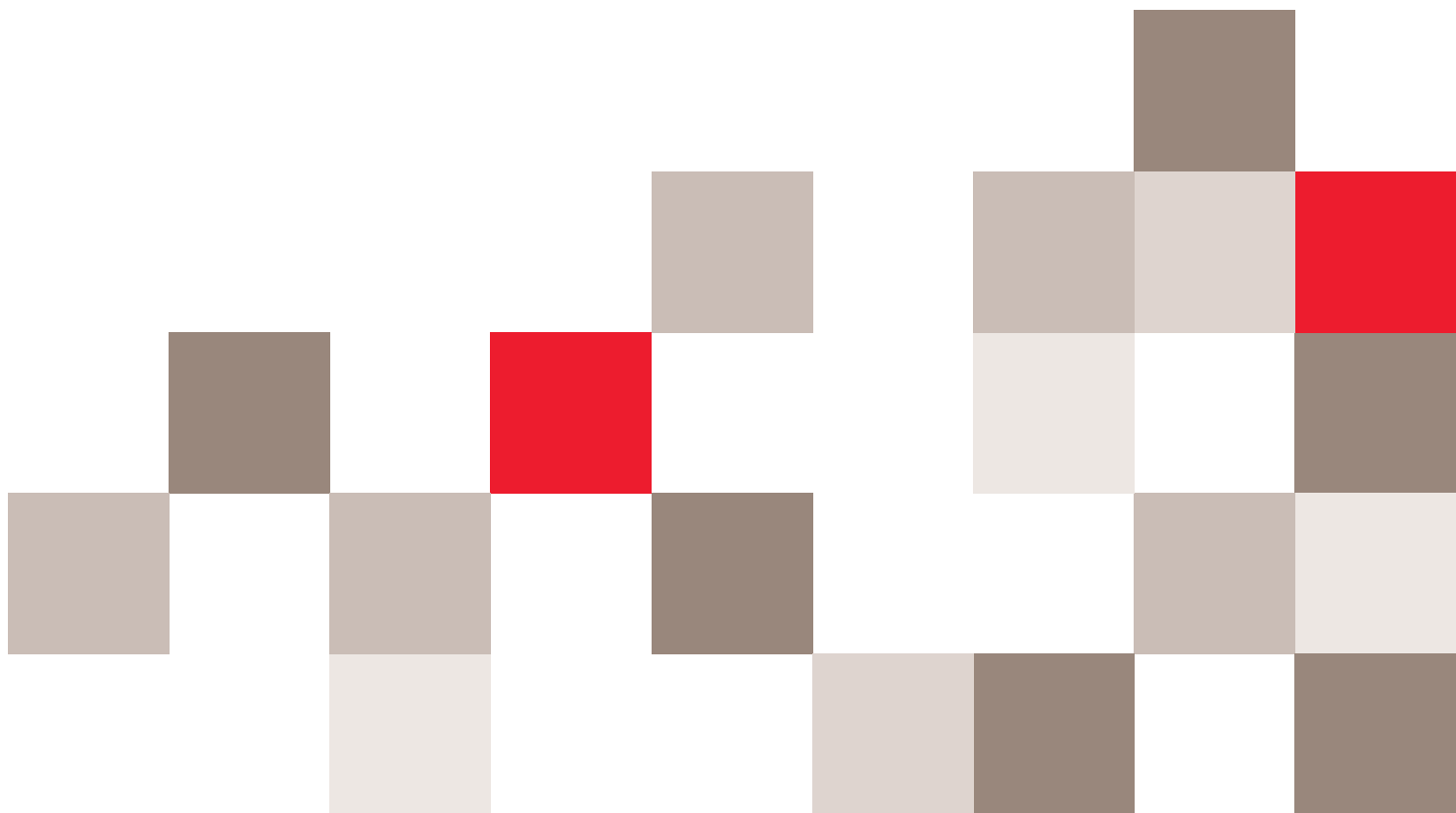
The daily interest option provides daily interest earnings, with a fluctuating interest rate that's sensitive to short-term money market rates. Interest is calculated daily on the daily interest option balance and credited each month to the daily interest option account.

Interest rate details

Canada Life sets the effective annual interest rate for the daily interest option at least weekly. The minimum guaranteed interest rate is not less than 90 per cent of the yield on short-term Government of Canada treasury bills, minus 1.75 per cent for *Millennium universal life insurance* and 2.25 per cent for *Millennium universal life insurance* with client bonus. The interest rate credited to the daily interest option will never be less than zero per cent.

Risk level

The volatility is classed as low.



Guaranteed interest options

Millennium offers guaranteed interest options that earn compound interest. They earn interest on the balance daily, at the guaranteed interest rate, until the end of the chosen term of one, three, five or 10 years. Interest is credited to the balance monthly, until the end of the guarantee period. At maturity, the principal and interest are reinvested automatically in a guaranteed interest option of the same type and duration.

The guaranteed interest option is comparable to a guaranteed investment certificate (GIC) and is particularly attractive to conservative investors. By providing set guaranteed periods, the guaranteed interest options offer a predictable cash value growth rate.

Interest rate details

Canada Life establishes the annual interest rate for an amount credited under a guaranteed interest option account at the effective date on which the amount, net premium or transfer amount, is credited.

Minimum interest rate guarantees specific to your policy can be reviewed in your Canada Life *Millennium* policy contract.

The current minimum interest rate guarantees are available by contacting your advisor or at www.canadalife.com.

Risk level

The volatility is classed as low.

Market value adjustment

A market value adjustment is a charge that may apply to an amount held under a guaranteed interest option account when funds are transferred out of the account before the end of the guarantee period. The market value adjustment may also apply to any unscheduled transfer of funds invested at a guaranteed interest rate within the Millennium Account.

Market value adjustments apply for guaranteed interest options where current interest rates for similar terms have increased. Transfers made by Canada Life from the guaranteed interest option to pay monthly charges or maintain the policy's tax-exempt status are not subject to a market value adjustment. Transfers into the policy from the Millennium Account are also not subject to a market value adjustment.

Variable interest options

Variable interest options allow for enhanced diversification and potentially greater returns, but with increased risk and volatility. The returns credited on variable interest options follow the returns from widely recognized investment market indices and mutual funds. These options are not an investment in securities, direct or otherwise. Variable interest options can simply provide you with a convenient way to approximate an investment in the market without actually buying securities.

A variable interest option is best considered from a long-term perspective. Performance of variable interest options with a foreign element, such as the Global Equity and American Equity options, are directly affected by the value of Canadian currency relative to the currencies measured in the indices and managed funds. A declining Canadian dollar enhances returns, while an escalating dollar has the opposite effect.

Unlike guaranteed interest options, variable interest options do not have a maturity date. Once funds are allocated in a variable interest option, they remain allocated until a transfer request or withdrawal is made, the amounts are used to pay monthly deductions, or the account is withdrawn by Canada Life.

If the interest is negative, after any applicable fees, the account balance is reduced accordingly.

Risk level

The volatility chart inserted in this folder gives a snapshot of the risk levels associated with each variable interest option available with *Millennium*.

Index-linked variable interest options

The interest rate for an index-linked variable interest option account is set every business day and is not guaranteed.

Canada Life credits 100 per cent of the index (total return in Canadian dollars) minus the applicable interest option fee.

Fund-linked variable interest options

The interest rate for a fund-linked variable interest option account is set every business day, with the exception of ABC funds, for which the interest rate factor is set on the last business day (valuation day) of every month. If a premium deposit for an ABC fund-linked account is received on a day other than the valuation day, it's held without interest in a transition account until the following valuation day, where it's credited to the applicable account.

The interest rates credited to fund-linked variable interest options are not guaranteed and can be either positive or negative.

Canada Life credits 100 per cent of the fund return, net of the management expense ratio and, where applicable, minus the interest option fee to the respective variable interest option each valuation day.

Historical and current rates of return are available on Canada Life's website at www.canadalife.com.



Millennium profile options

Investment markets and the economy are in a constant state of change. Various investments and asset classes react differently to these changes – some may increase in value, while others may decrease in value.

A key strategy for reducing investment risk is diversification. *Millennium* profile options achieve diversification by crediting interest at a rate based on the performance of mutual funds that represent various asset classes. Interest is credited after deducting the management expense ratio for the underlying funds and, where applicable, an interest option fee. This interest option fee is currently only charged for policies with a client bonus, with the exception of ABC Funds.

The interest credited on any day may be positive or negative. If the interest is negative, the balance in that *Millennium* profile option is reduced.

Finding the profile option to match your needs

To determine which *Millennium* profile option may be best for you, discuss with your advisor and complete the Canada Life *Millennium risk profile questionnaire*. This questionnaire asks about the amount of investment risk you're comfortable with and helps balance that with your financial situation and financial objectives. Based on your responses, it suggests a *Millennium* profile option, ranging from conservative to aggressive, designed to help you achieve your goals.

Adjust your interest options as your needs change

As your objectives change over time, you can change your mix of interest options or transfer funds within your policy as often as you like. A market value adjustment may apply to funds transferred out of a guaranteed interest option before the end of the guarantee period.



Your *Millennium* interest options



The Canada Life Assurance Company, a subsidiary of The Great-West Life Assurance Company and a member of the Power Financial Corporation group of companies, provides insurance and wealth management products and services. Founded in 1847, Canada Life is Canada's first domestic life insurance company. Visit our website at www.canadalife.com.

Helping people achieve more™

While every effort has been made to ensure the accuracy of the information in this brochure at the date of printing, some errors and omissions may occur. In the event of a discrepancy, the terms of the *Millennium* contract shall prevail.

