

iA Participating Life Insurance (iA PAR)

iA PAR WEALTH, TO ACCELERATE THE GROWTH OF YOUR WEALTH

Opting for iA PAR Wealth is a wise choice for wealthy individuals who want to meet their insurance needs, enjoy tax-advantaged asset diversification and benefit from high short-term policy cash values while protecting their estate.



Meet **Lian**

He's 50 years old and originally comes from China. He moved to Canada 10 years ago with his family to pursue his career as a professor specializing in artificial intelligence and has since obtained his citizenship. His annual income is \$275,000 and he holds assets in Canada and abroad.

Lian has a high effective tax rate. He has already contributed the maximum amounts to his Registered Retirement Savings Plan and Tax-Free Savings Account and has excess liquidity. He would like to diversify his assets in a tax-advantaged manner and protect his estate in order to transfer his wealth to his loved ones when he passes away. Lian places great importance on recovering the value of his investment as quickly as possible. A meeting with his advisor allows him to see how iA PAR Wealth could meet his objectives and offer him advantages thanks to the product's great flexibility, which he finds particularly reassuring.

iA PAR WEALTH HELPS LIAN every step of the way



Male – Age 50 – Non-smoker

OPTIMIZE THE GROWTH OF HIS WEALTH

EXPAND HIS ESTATE

Age 50

Age 55

Age 70

Age 85

Life insurance amount
\$568,182
20-year payment



Tip

Thanks to the recognition of foreign assets, Lian can cover his complete insurance needs.

Dividend option
Paid-up additions (PUA)

Contribution to Additional deposit option (ADO) year 1*
\$10,000

Total annual premium
\$25,000
Year 1
\$35,000



Tip

With the flexibility of the Additional deposit option (ADO), Lian could make a single additional deposit of \$10,000 at the time the policy is purchased. Depending on his liquidity, he can make a new deposit at an opportune time for an equal or lesser amount without having to present additional evidence of insurability.

Total cash surrender value
\$135,257



Tip

Starting in year 5, Lian could have an asset exceeding the value of his investment. After just 5 years, his policy would have a total cash value greater than his cumulative premiums paid of \$135,000.

Total cash surrender value
\$647,613

Total life insurance amount
\$999,733



Tip

With the rapid growth of his policy total cash surrender value, Lian could have increased wealth and keep it protected. Depending on his future needs, he could choose to use his policy as collateral to supplement his retirement income. He could also change his dividend payment option from PUA to payable in cash for access to more liquidity.

Total life insurance amount
\$1,614,764



Tip

Lian could leave a sizable estate to his loved ones. Since the death benefit is not taxable, iA PAR Wealth can be seen as a tax-advantaged solution. At age 85, the tax-free death benefit of \$1,614,764 results in an internal rate of return of 4.46%. To achieve an equivalent amount for his estate with an alternative fixed income investment subject to a 50% tax rate, a rate of return of 8.92% would be required.

	Age 51	Age 55	Age 60	Age 70	Age 85
Total life insurance amount	\$596,718	\$643,758	\$735,011	\$999,733	\$1,614,764
Guaranteed policy cash surrender value	\$15,623	\$102,791	\$212,653	\$369,529	\$496,656
Total policy cash surrender value	\$26,415	\$135,257	\$295,914	\$647,613	\$1,369,502

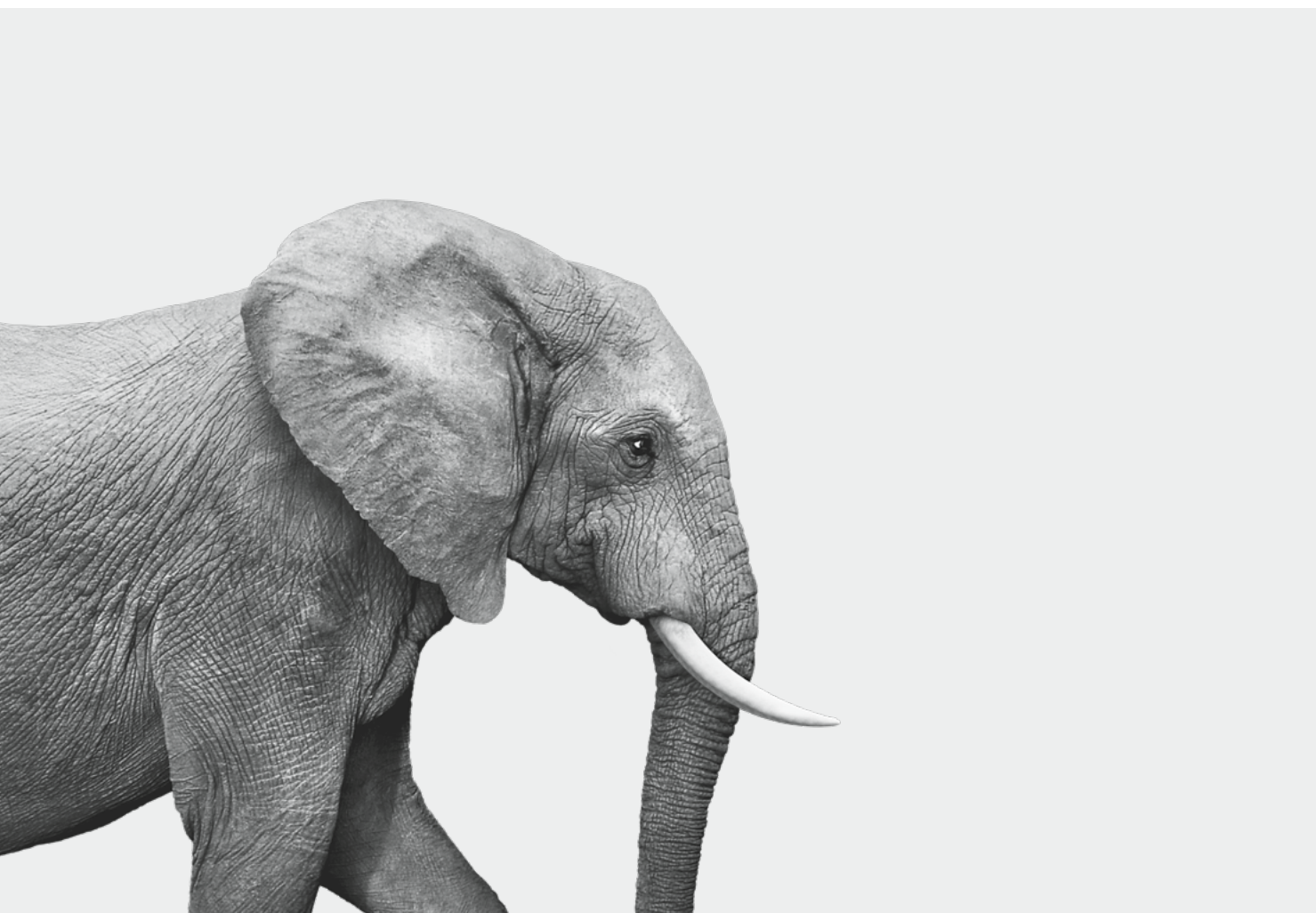
* PUA dividend option required to contribute to ADO.

The case presented in this document is fictional and the information shown is for illustrative purposes only. Projections are based on the current 2021 dividend scale, assuming that the scale remains unchanged throughout the term of the policy, and also assuming the paid-up additions option is maintained throughout the term and no policy cash value is withdrawn. Annual dividend amounts are not guaranteed.

iA Financial Group – A solid, trusted company

With over 125 years of history in the insurance and wealth management businesses, iA Financial Group is a name that inspires trust for its clients. Founded in 1892, iA has always succeeded in adapting its practices and product offering to changing market needs in order to meet the needs of clients.

Our mission is to ensure the financial wellbeing of our clients by offering them personal insurance coverage and investment solutions to help them achieve their personal goals.



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