What’s the best life insurance for you?

Elev8
Wealth Advisors Inc.

canada life

To build the right plan, it's important to know your options.

You have two basic choices with life insurance: term life insurance and permanent life insurance. Both protect you and your family but have different features.

Term life insurance covers you for a set period at a cost that is initially lower than permanent life insurance but increases at renewal. With the exception of term to age 65 which does not renew, when your term ends your coverage will renew automatically until age 85,[1] at which point the policy expires. Or, you may be able to change some or all of your coverage to permanent life insurance without answering more health questions.[2]

Permanent life insurance gives you more security because it lasts a lifetime[3] and may grow in value over time, with tax advantages. It costs more than term life insurance, but there are benefits.

Deciding what's right for you depends on what you need.
Here's some information to help:

	Term life insurance	**Permanent** life insurance
How long does it last?	You buy term life insurance for a set timeframe. When your term ends, your coverage renews automatically for another term[1] or you can change to permanent insurance without answering more health questions.[2] Term to age 65 coverage isn't renewable.	Guaranteed[3] lifetime insurance protection.
Cost	Initially lower than permanent life insurance but goes up each time your policy renews.	It can be more because you're paying for lifetime coverage but you have more options to increase your death benefit.[4]
Benefits	The person (or people) you choose receives tax-free money when you die. They can use it however they want – for example, to help pay down debt, take care of the mortgage or send their kids to school.	The person (or people) you choose receives tax-free money when you die. It can build cash value over time. You have guaranteed access to these funds and can use them when you're alive, however you want.[6]

There's one type of temporary insurance (term life insurance) and two choices for permanent life insurance – universal and participating life insurance.
The differences are:

	Term life insurance	**Universal** life insurance	**Participating** life insurance
How does it work?	You get temporary protection and pay the same amount for a set timeframe.	You get guaranteed protection for life[3] and can put extra money into the policy that can grow over time. You can withdraw or borrow against this money.[6]	You get guaranteed protection for life.[3] The participating account is managed by the company. It includes money you pay for your basic coverage and funds from other Canada Life participating life insurance policyowners. If the account performs better than expected, you can get extra money, called a policyowner dividend.[5] You can borrow or withdraw from your policy.[6]
How long will it last?	The initial term lasts for a set timeframe. The policy automatically renews at the end of the term until age 85,[1] at which point it expires. You can end your coverage at any time. You can also convert to another policy.[2] Term to age 65 coverage is not renewable.	Your coverage is for life.[3]	
Can I increase my insurance coverage?	Yes, optional benefits can be added to the policy that allow you to increase your coverage.		Yes, you can use your policyowner dividends to increase your insurance coverage.
What can I do with my cash value?	Not applicable to term insurance products.	Use money that's grown inside your policy to help make future payments, borrow or withdraw to fund future goals or leave a larger legacy for loved ones.[6] You don't pay tax on cash value that's built up within your policy (within tax limits) unless you withdraw those funds from your policy.	You can take a policy loan or withdraw the cash value while you're still alive or leave a larger legacy.[6] You don't pay tax as your cash value grows within your policy (within tax limits). However, if you withdraw or borrow against your cash value you may have to pay tax.
What can I do with my policyowner dividends?		Universal life insurance doesn't offer policyowner dividends.	You can take your policyowner dividends as cash, use them to make future payments or buy more insurance. If you take your dividends in cash, you may have to pay tax.
Will my loved ones have to pay taxes?	No. When you die, your insurance money goes tax-free to the person (or people) you've chosen.[7]		
How much does it cost?	Typically, the least-expensive type of life insurance, but goes up at each renewal.	Typically, more expensive than term insurance. You have payment options: they can go up each year, remain the same until you die, or you can pay for a set period of time.[4]	Typically, more expensive than term insurance. You have payment options: they can remain the same until you die, or you can pay for a set period of time.[4]

Embrace today so you can be set up for tomorrow. Your advisor is here to help you understand your needs and goals, help you choose the right insurance option and build a plan that protects what matters most to you.

For more information about term and permanent life insurance, visit **canadalife.com.**

[1] Unless you tell us otherwise, and subject to the age 85 limit.

[2] Subject to policy age limits.

[3] Your coverage is guaranteed if you make required payments (called premiums) and you haven't changed your policy – for instance, taken out a policy loan or made a withdrawal.

[4] Additional payments, if applicable, are subject to tax limits.

[5] Policyowner dividends aren't guaranteed.

[6] If you borrow or withdraw from your policy, it will reduce how much money the person (or people) you've designated will receive (called a death benefit).

[7] Probate fees (estate administration tax), if any, may apply on money paid to an estate.

canada life

Elev8
Wealth Advisors Inc.

In Quebec, advisor refers to a financial security advisor for individual insurance and segregated fund policies.

46-10022-7/19