



# Preferred Estate Transfer<sup>®</sup>

It's the kind of preferential treatment you want. Less tax, more benefits.

A permanent life insurance policy is one of the most tax-efficient ways to build and transfer your estate. The tax-free death benefit creates an instant inheritance. Plus the policy offers tax-advantaged growth that you can access during your lifetime.<sup>1</sup>

advanced insurance planning

With the Preferred Estate Transfer, you may be able to put a policy in place with no additional out-of-pocket expense. Simply redirect some of your money from taxable investments to pay the premiums for a permanent life insurance policy. The policy will do the rest.



Taxable investments



Exempt life insurance policy



Benefits

- Instant legacy
- Tax savings for you
- Larger estate to your heirs

## Put the Preferred Estate Transfer to work for you

### Leave more money to your loved ones

- Life insurance proceeds can be used to cover the potential tax liability on investments or on family assets like the family cottage so they do not have to be sold or erode the value of the estate.
- Life insurance allows you to leave more money than you could through a taxable investment.
- Payments above the required premium can accelerate the growth of the value within the policy.<sup>2</sup>

### Save taxes

- By redirecting money from taxable investments into the life insurance policy, you may pay less tax over your lifetime.<sup>3</sup>
- The funds within the insurance policy grow on a tax-advantaged basis.
- Life insurance proceeds are paid to your beneficiary tax free.

# Preferred Estate Transfer



advanced insurance planning

It could be the right solution for you if...			
<input checked="" type="checkbox"/>	You want to leave money to your loved ones or a charity.	<input checked="" type="checkbox"/>	You have taxable investments.
<input checked="" type="checkbox"/>	You have an up-to-date will.	<input checked="" type="checkbox"/>	You want to reduce the taxes you pay.
<input checked="" type="checkbox"/>	You have paid off your mortgage or other debts.	<input checked="" type="checkbox"/>	You want your estate to pay less tax.
<input checked="" type="checkbox"/>	You have taken care of your retirement plan.		

Your advisor can show you how the Preferred Estate Transfer can work for you.

<sup>1</sup> Refer to the product Client Guide for more detail.

<sup>2</sup> The extra payment is limited to the amount required to maintain the tax-exempt status of the policy. For universal life, the policy may be credited positive or negative returns depending on the investment accounts selected. Review the product illustration for full details.

<sup>3</sup> Depends on the nature of your taxable investment and assumes no taxes are triggered if investments are sold to fund premiums.

The Preferred Estate Transfer is a concept. It is not a product or contract. It is based on current tax legislation and may change. This information does not constitute legal, tax, investment, or other professional advice. ® or ™ denotes a trademark of The Equitable Life Insurance Company of Canada.