

Understanding Your Insurance Options

Characteristics of Universal Life

- Cost of insurance is guaranteed not to increase.*
- Face amount of insurance is level and guaranteed.
- Death benefit is a combination of the face amount of insurance and the value of investments.
- Additional funds, above the cost of insurance, may be deposited. The funds are invested at the discretion of the policy owner.
- The earnings on the funds invested in the policy are exempt from tax, within certain limits outlined by CRA. The funds stay in the policy and are paid out tax free as a death benefit.
- Funds can be accessed by loan or withdrawal.
- It is possible to have sufficient funds in the policy to pay insurance charges, thus creating a policy with no further premium requirements.

