

We'd like to give you more privacy

This is all about the privacy benefit that exists with assets held in segregated fund and term fund policies.



One significant advantage of deferred annuities such as segregated fund and term fund policies is the privacy they offer you and your beneficiaries.

Probating a will can be a lengthy process, and wills can be contested.¹ This lengthens the settlement period. In addition, once a will is probated, it generally becomes a publicly available record. There may be certain exceptions. A segregated fund or term fund policy with a named beneficiary can avoid this process because these assets do not form part of the estate. These policies help avoid delays and protect the privacy of beneficiaries.

Remember... you must name a beneficiary on your segregated fund and term fund policies to ensure these assets pass outside of your estate.

Let's look at a specific example.

The situation:

After 10 years of marriage and two children, Mary and John divorce. The children live with Mary, but John sees them regularly and maintains a close relationship with them.

A few years later, John remarries. His second wife, Joan, also has a child from her previous marriage. In his will, John names his second wife, Joan, and his two children as heirs to his estate – 1/3 each. Joan contests the will, convinced she should be the sole beneficiary. This results in John's estate being held up in probate for several years. The relationship between Joan and John's children becomes strained.

The solution:

If John had left amounts through segregated fund or term fund policies for each of his two children and his estate to Joan, the entire unpleasant experience could have been avoided. Death benefits on segregated fund and term fund policies are normally paid out to designated beneficiaries within a few weeks of the notification of death. In addition, these assets, with appropriate beneficiary designations, are not passed through the "public will probating process", so John's treatment of his children would have had the potential to remain more private.

The use of insurance-based investment products such as segregated and term fund policies, together with a named beneficiary designation, can ensure your money is distributed quickly and probably more privately, according to your wishes.

Speak to your advisor today about ensuring a quick and private transfer of assets to your loved ones.

¹ In Quebec, notarial wills do not need to be probated but holograph wills and wills made in the presence of witnesses have to be probated by the court or by a notary.

Ideal Segregated Funds and Term Funds are offered under Standard Life's savings and retirement income plans, which are insurance products.

A description of the key features of Standard Life's Ideal Segregated Funds is contained in the Information Folder.

Subject to any applicable death and maturity guarantee, any part of the premium or other amount allocated to an Ideal Segregated Fund is invested at the risk of the policyholder and may increase or decrease in value according to fluctuations in the market value of the assets of the Ideal Segregated Fund.

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