GENERATIONAL LEGACY PLAN

Nurturing Dreams, Building Wealth

Grandchild Client2

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Desjardins Insurance
Life • Health • Retirement

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SCENARIOS AND ASSUMPTIONS

Age of Analysis

Grandparent, 90
Grandchild, 25

Insured

Grandchild Client2
Female, 0, Regular / Smoker
Life expectancy: Age 81 (duration 81)

Policyowner

Grandparent Client1 (Male, 65, Preferred / Non-smoker)

Scenario

Grandparent to grandchild

Illustration

Product	Participating Life Insurance
Coverage Category	Permanent Life
Coverage Type	Individual
Coverage	Whole Life 5 Pay
Amount	$453,945
Annual Premium	$19,999.96

Dividend Option: Enhanced Insurance: $773,976, Guaranteed for: Lifetime
Dividend Scenario: Current
Premium Offset: No
Add. Deposit Option (ADO): No
Withdrawals: No

Tax Information (Ontario)

Marginal Tax Rate	53.53%
Eligible Dividend Tax Rate	39.34%

Taxable Investments	Asset Allocation *	ROR	MER
Short-term Investments	5.00%	2.30%	
Fixed Income Investments	35.00%	3.20%	0.00%
Equity Investments	60.00%	6.20%	0.00%
Annual Turnover	10.00%		
Dividend Portion	33.33%		

* Portfolio is rebalanced every 3 years.

GENERATIONAL LEGACY PLAN

YOUR CURRENT SITUATION

- You are retired or approaching retirement, with taxable investments generating income not required to maintain your lifestyle.
- You want to leave an inheritance for your grandchild with a permanent life insurance policy.
- You want flexibility to make adjustments if things change unexpectedly.
- You want to minimize taxes during lifetime while creating a tax-deferred lifelong legacy.[1]
- Your grandchild is in good health and insurable.

WHAT IS THE GENERATIONAL LEGACY PLAN?

The **Generational Legacy Plan** is a flexible financial strategy that empowers you to provide for your grandchild's future financial security by using a cash value life insurance policy on your grandchild's life to provide a financial foundation when they need it in the future. When you are ready, you can transfer ownership of the policy to your grandchild on a tax-deferred basis using an intergenerational policy rollover under the tax rules. The plan allows you to maintain control of your assets with the flexibility to decide whether the policy should be transferred to your grandchild during your lifetime or after your death.

HOW DOES IT WORK?

You use funds currently invested in your taxable investment accounts and other available liquid assets to purchase a cash value life insurance policy on the life of your grandchild. The policy is part of the legacy that you plan to leave for your grandchild, so the premium payments redirect a portion of this planned legacy into a tax-advantaged exempt life insurance policy. This provides a tax-efficient way for you to make an intergenerational wealth transfer to your grandchild. This reduces the tax burden on your taxable investments during your lifetime. When you are ready, you can transfer ownership of the policy to your grandchild on a tax-deferred basis using an intergenerational policy rollover under the tax rules.

Step 1: Policy purchase

Grandparent purchases the policy and pays the premium. Grandchild is the life insured.

Step 2: During grandparent’s lifetime or upon death

Grandparent has the discretion to transfer ownership to the grandchild either at age of majority or at a future date.

Step 3: Grandchild becomes the owner of the policy

Grandchild has cash values available.[+]

[+]Accessing the policy cash values as a policy loan or as a total or partial surrender will generally result in a policy disposition and may generate a policy gain.

BENEFITS OF THE GENERATIONAL LEGACY PLAN

Guarantees your grandchild is insured for life

You can protect your grandchild's access to life insurance by providing them with lifelong coverage while they are young as long as the required premiums are paid or if the policy is paid up. Taking advantage of this allows you to lock in the cost of insurance today, while providing benefits for your grandchild's future.

Provides a living gift

Gifting life insurance with cash values is a thoughtful and innovative present as it provides your grandchild with guaranteed lifelong insurance as long as the required premiums are paid or if the policy is paid up. As your grandchild moves through various stages of life, their need for life insurance changes. When they are an adult, their primary concern may be to protect against income loss and provide for their dependents in the event of a premature death. However, as your grandchild becomes older and their financial situation evolves, their focus may shift towards wealth accumulation, estate planning, and wealth transfer.

Meets your grandchild's changing lifetime needs

The accumulating cash values inside the life insurance policy can be a source of long-term financial empowerment for your grandchild. The cash values in an exempt life insurance policy grow on a tax-deferred basis as long as they remain inside the policy. This allows the cash values to grow more rapidly than they would in a taxable investment account.

- Once your grandchild owns the policy (whether during your lifetime or after your passing), they will have financial flexibility to manage certain needs during significant life events such as educational expenses, buying a car or purchasing a home.

- Your grandchild can even use the policy as a source of income during retirement.

Since the lifetime uses of a life insurance policy may have tax implications, consultation with the relevant professional advisors should be part of their planning process.

Maintains control over the policy

You can use a well-designed combination of policyowner rights to maintain control over the policy until the policy is transferred to your grandchild. Appointing your grandchild as the contingent policyowner means that you will not have to worry about the policy becoming part of your estate if you pass away while your grandchild is still young. While your grandchild is a minor, the policy can be transferred to your grandchild with a person who is appointed to manage your minor grandchild's property,[2] while still qualifying for a tax-deferred transfer.

You can designate yourself as the irrevocable beneficiary of the policy, which means that even after you transfer the policy to your grandchild, in most cases your consent will be required before the cash values can be accessed.[3] Once your grandchild is the policyowner, you can consent to a new beneficiary designation – which would see your grandchild step into the role of being the policyowner.

BENEFITS OF THE GENERATIONAL LEGACY PLAN

Simplifies intergenerational wealth planning

The plan can be an effective way to transfer wealth between generations of your family, while avoiding the costs and delays associated with estate administration. You appoint your grandchild as the contingent policyowner, which achieves key planning objectives:

• Since the new policyowner is your grandchild who is also the life insured under the policy, for tax purposes, the policy will also qualify as an intergenerational policy rollover.[4] The transfer will be deemed to occur at the policy's adjusted cost basis,[5] so no taxes will become payable at the time of the transfer from you to your grandchild.

• Using the contingent owner appointment method means that the policy is transferred automatically to your grandchild on your death on a rollover basis.[6] As a result, the policy will not become part of your estate, avoiding the complexities, costs and time involved with estate administration.

Reduces the tax burden

When you use a taxable investment account as part of your generational legacy planning, there will be income and capital gains taxes payable both during your lifetime and on your death.

• On your death, all unrealized capital gains or losses from your capital property will be triggered and reported on your final income tax returns. Taxes would be payable by your estate on any net capital gains.[7] This tax bill can be deferred if the property is transferred to your spouse or common-law partner or a trust for their benefit using the spousal rollover.[8] However, once your spouse or common-law partner owns the taxable investment account, they can deplete it for their own lifetime needs and are free to transfer it to their chosen heirs on death.

• No rollover applies if your taxable investment account is transferred to your grandchild as part of a generational wealth transfer.

• There will be costs related to estate administration because the property flows through an estate.

• If you make a lifetime transfer of the taxable investment account to your grandchild, there will be a disposition that may result in capital gains tax being payable. Once your grandchild owns the taxable investment account, taxes on income and capital gains will be payable during their lifetime.

• The income attribution rules may apply to transfers during lifetime to a minor grandchild.[9] For more information, refer to the **Additional Tax Considerations** section.

In contrast, the cash values of the permanent life insurance policy will grow on a tax-deferred basis as long as they remain inside the policy. The strategic use of contingent owner appointments for tax-deferred policy transfers means that you can transfer the life insurance policy to your grandchild on your death, bypassing your estate.

Using the Generational Legacy Plan

You are the owner of the tax-exempt life insurance policy on your grandchild. The cash values of the life insurance policy will grow, and not be taxable as long as the values remain inside the policy and the policy satisfies the exempt test rules. You have appointed your grandchild as the contingent policyowner in order to secure the benefits of a simplified policy transfer. Since your grandchild is the contingent owner and is also the only life insured under the policy,[10] the transfer will be eligible for a tax-advantaged intergenerational policy rollover.[11]

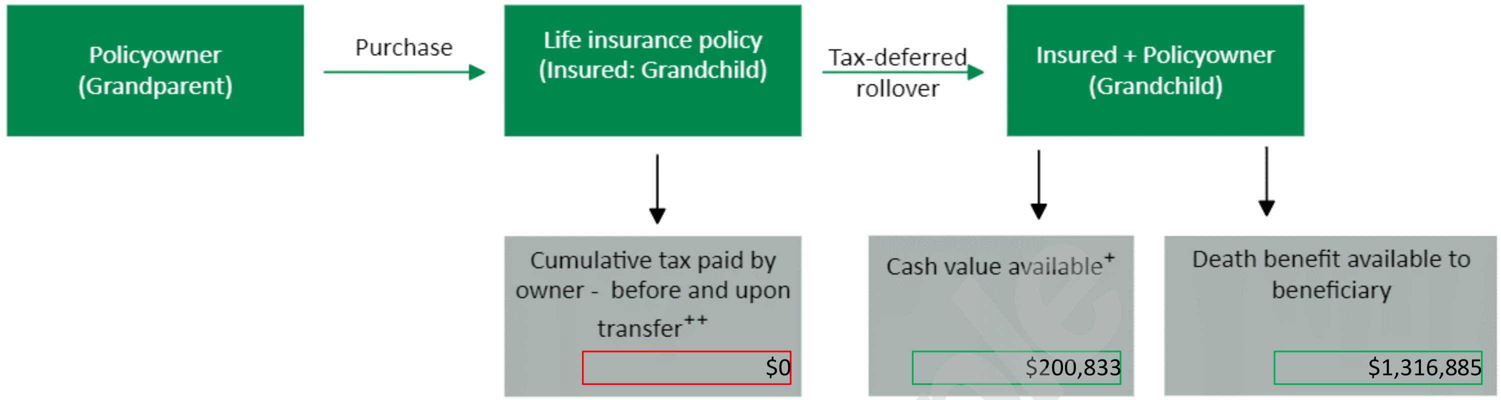
When you transfer the policy during your lifetime, the intergenerational policy rollover means that no tax would be triggered on the transfer. The cash values of the policy and the death benefit will continue to grow tax deferred. The income attribution rules will not apply on income while they accumulate inside the policy. However, a policy gain is investment income and therefore the attribution rules apply if the grandchild is under 18 and receives such income.[12] If the policy is transferred to the grandchild prior to attaining age 18, in most cases no withdrawal, surrender, loan or other taxable policy disposition should be made while the former policyowner is alive. When the policy transfer occurs on your passing, the rollover would apply, and the automatic ownership transfer of the policy would not be subject to probate, or the costs and time involved with estate administration.

In contrast, when your family wealth legacy plan includes a taxable investment account, there will be income and capital gains taxes payable during your lifetime and due to the deemed disposition regime on your death. As noted in the section **Reduces the tax burden**, transferring the investment account to your grandchild during your lifetime may result in a taxable disposition, triggering income and capital gains taxes being payable by you in the year of the transfer. If your grandchild is a minor at the time of the transfer, the income from the investment account may be included in your income for tax purposes in accordance with the attribution rules. Unless your estate plan includes transferring the investment account to your spouse or common-law partner or a trust for their benefit using the spousal rollover,[13] any post-mortem transfer of the investment account balance to your grandchild will generate taxes for your estate, probate charges and other costs of estate administration.

THE GENERATIONAL LEGACY PLAN - POLICY TRANSFER

At Age of Analysis, when the grandparent is 90 years old and the grandchild is 25 years old, wealth is transferred to the grandchild:

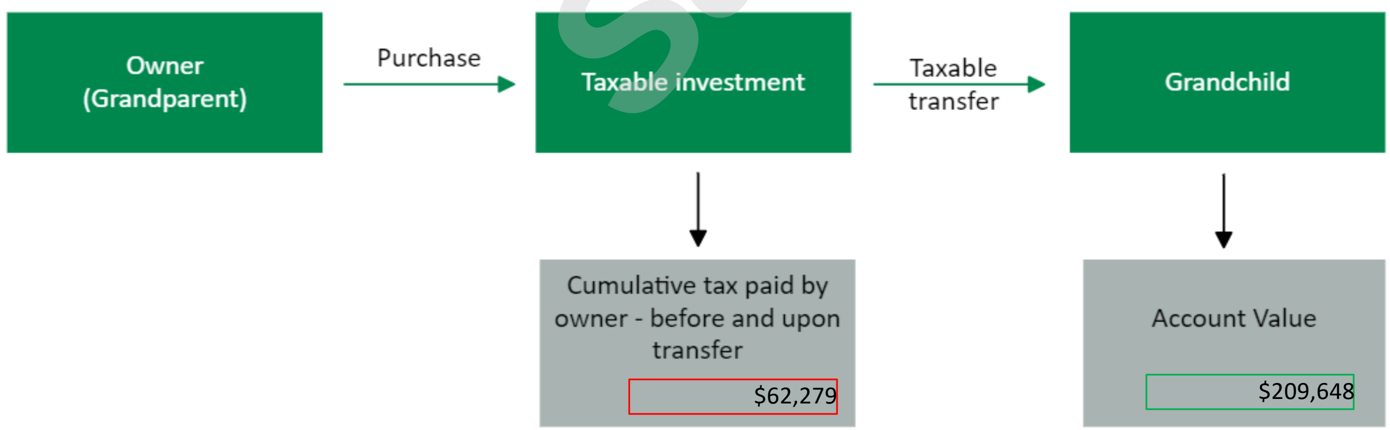
The Generational Legacy Plan - Policy Transfer



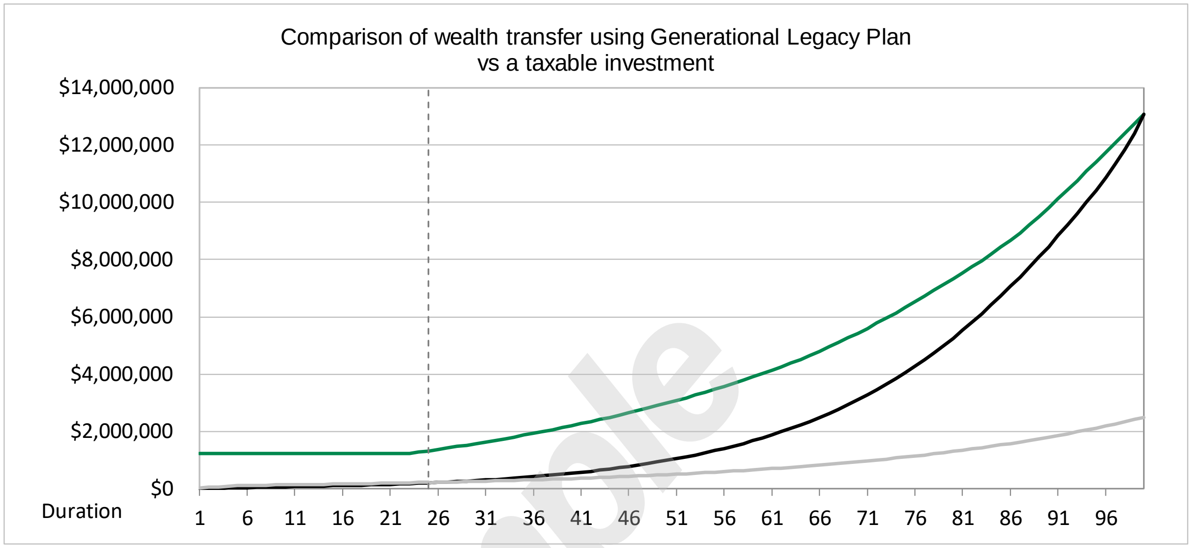
+ Accessing the policy cash values as a policy loan or as a total or partial surrender will generally result in a policy disposition and may generate a policy gain.
++ Assuming the policyowner won't be receiving any dividends from the policy.

In contrast, if you had used an equivalent taxable investment account to build your grandchild's lifetime gift, you would have paid tax on any interest income, dividends and net capital gains earned or realized over the years. Assuming that you paid income taxes at the top marginal rate in your home jurisdiction and capital gains tax at the 50% inclusion rate over the years,[14] if you transferred the taxable investment account to your grandchild at your age 90 and your grandchild's age 25, the cumulative tax paid before and upon transfer would be $62,279 and the amount received by your grandchild would be $209,648.

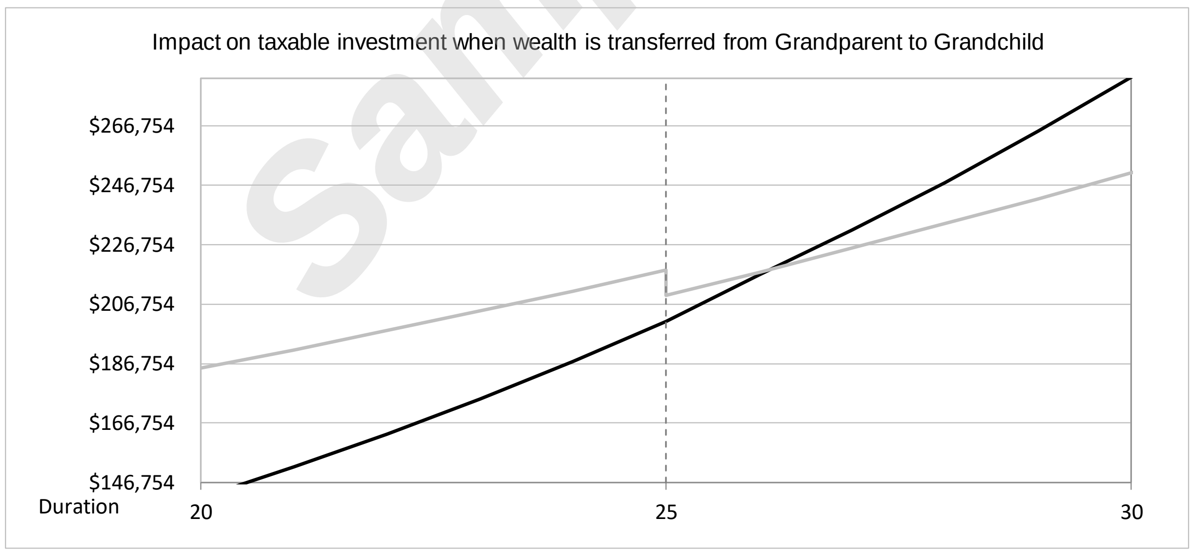
Taxable Investment – Account Transfer



Comparison of the intergenerational wealth transfer outcomes when comparing the cash value life insurance policy with the taxable investment account.



The impact of the Generational Legacy Plan in terms of the growth in wealth transferred between generations is compelling.



Generational Legacy Plan (Death Benefit) Generational Legacy Plan (Cash Value) Taxable Investment Duration at Transfer

Under certain conditions, income from a taxable investment account that is transferred to a minor grandchild or whose financing comes from a loan to a minor grandchild with an interest rate below the prescribed rate or for which interest is not paid annually no later than 30 days after the end of the calendar year is attributed back to the person who transferred or loaned the money. However, capital gains, capital losses and income on income are not attributed back.

The income attribution would also occur if a loan is made to an adult grandchild where income splitting is one of the main reasons for the loan and the interest rate on the loan is below the prescribed rate or interest is not paid annually no later than 30 days after the end of the calendar year.[15] There would generally be no attribution if the grandparent were to give the investment as a gift or transfer the taxable investment account to their adult grandchild at fair market value.

Other taxes on income splitting may apply. Please consult your tax advisor to get more information on the attribution rules and other taxes on split income.

ENDNOTES

All statutory references in the Endnotes are to the *Income Tax Act*, RSC 1985, c 1 (5th Supp) unless otherwise stated.

1. Cash values of a permanent life insurance policy grow on a tax-deferred basis as long as they remain inside the policy.
2. In the common law jurisdictions, the person appointed to manage the property of a minor is usually a guardian or trustee of the minor's property, while they are a tutor under the Civil Code.
3. In Quebec, according to some caselaw, the designated beneficiary must be a third party for such a designation to be valid. See: *Citadelle assurance c. Succession Beaulé*, 1987 CanLII 824 (QC CA). To make sure the beneficiary designation is valid, before the policy transfer takes place, you would have to get a contractual commitment from your grandchild that you would be designated as irrevocable beneficiary by your grandchild after the transfer.
4. Subsections 70(10), 148(8), 148(9) - definition of "child", and 252(1).
5. Subsection 148(8).
6. CRA Technical Interpretation 9618075 (dated September 3, 1996).
7. Subsection 70(5)(a).
8. Subsection 70(6).
9. Subsection 74.1(2).
10. In accordance with CRA Technical Interpretations 2004-0065441C6 (dated May 4, 2004) and 2005-0125391E5 (dated August 29, 2005), the Canada Revenue Agency is of the opinion that no rollover is available when more than one life is insured on the life insurance policy at the time it is transferred.
11. CRA Technical Interpretation 9618075 (dated September 3, 1996).
12. Subsection 74.1(2).
13. Subsection 70(6).
14. The 2024 Federal Budget, tabled on April 16, 2024, included a proposal to increase the capital gains inclusion rate from 50% to 66.67% on the portion of realized capital gains exceeding $250,000 for a year, effective June 25, 2024.
15. Subsections 56(4.1) and 56(4.2).

WEALTH TRANSFER COMPARISON

Desjardins Insurance
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			Generational Legacy Plan				Taxable Investment Strategy		
End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Annual Premiums Paid	Cumulative Premiums Paid	Total Cash Value	Total Death Benefit	Total Annual Deposits	Cumulative Deposits	Portfolio Value (EoY)
1	66	1	$20,000	$20,000	$317	$1,227,921	$20,000	$20,000	$20,748
2	67	2	$20,000	$40,000	$652	$1,227,921	$20,000	$40,000	$42,267
3	68	3	$20,000	$60,000	$5,563	$1,227,921	$20,000	$60,000	$64,571
4	69	4	$20,000	$80,000	$11,934	$1,227,921	$20,000	$80,000	$87,666
5	70	5	$20,000	$100,000	$19,939	$1,227,921	$20,000	$100,000	$111,610
6	71	6	$0	$100,000	$30,325	$1,227,921	$0	$100,000	$115,618
7	72	7	$0	$100,000	$40,817	$1,227,921	$0	$100,000	$119,734
8	73	8	$0	$100,000	$51,281	$1,227,921	$0	$100,000	$123,993
9	74	9	$0	$100,000	$57,834	$1,227,921	$0	$100,000	$128,280
10	75	10	$0	$100,000	$64,654	$1,227,921	$0	$100,000	$132,745
11	76	11	$0	$100,000	$70,762	$1,227,921	$0	$100,000	$137,372
12	77	12	$0	$100,000	$77,034	$1,227,921	$0	$100,000	$142,008
13	78	13	$0	$100,000	$83,585	$1,227,921	$0	$100,000	$146,877
14	79	14	$0	$100,000	$90,486	$1,227,921	$0	$100,000	$151,932
15	80	15	$0	$100,000	$97,792	$1,227,921	$0	$100,000	$156,979
16	81	16	$0	$100,000	$105,523	$1,227,921	$0	$100,000	$162,311
17	82	17	$0	$100,000	$113,731	$1,227,921	$0	$100,000	$167,849
18	83	18	$0	$100,000	$122,449	$1,227,921	$0	$100,000	$173,371
19	84	19	$0	$100,000	$131,687	$1,227,921	$0	$100,000	$179,222
20	85	20	$0	$100,000	$141,505	$1,227,921	$0	$100,000	$185,304
21	86	21	$0	$100,000	$151,945	$1,227,921	$0	$100,000	$191,360
22	87	22	$0	$100,000	$163,056	$1,227,921	$0	$100,000	$197,794
23	88	23	$0	$100,000	$174,879	$1,227,921	$0	$100,000	$204,482
24	89	24	$0	$100,000	$187,457	$1,268,702	$0	$100,000	$211,137
* 25	90	25	$0	$100,000	$200,833	$1,316,885	$0	$100,000	$209,648
26		26	$0	$100,000	$216,495	$1,366,340	$0	$100,000	$217,488
27		27	$0	$100,000	$231,667	$1,417,027	$0	$100,000	$225,571
28		28	$0	$100,000	$247,779	$1,469,082	$0	$100,000	$233,805
29		29	$0	$100,000	$264,853	$1,522,302	$0	$100,000	$242,206
30		30	$0	$100,000	$282,976	$1,576,818	$0	$100,000	$250,893
31		31	$0	$100,000	$302,193	$1,632,674	$0	$100,000	$259,656
32		32	$0	$100,000	$322,597	$1,689,908	$0	$100,000	$268,746
33		33	$0	$100,000	$344,214	$1,748,391	$0	$100,000	$278,166
34		34	$0	$100,000	$367,155	$1,808,302	$0	$100,000	$287,613

* Policy transferred to grandchild

WEALTH TRANSFER COMPARISON

Desjardins Insurance
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End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Generational Legacy Plan				Taxable Investment Strategy		
			Annual Premiums Paid	Cumulative Premiums Paid	Total Cash Value	Total Death Benefit	Total Annual Deposits	Cumulative Deposits	Portfolio Value (EoY)
35		35	$0	$100,000	$391,455	$1,869,684	$0	$100,000	$297,513
36		36	$0	$100,000	$417,232	$1,932,556	$0	$100,000	$307,787
37		37	$0	$100,000	$444,553	$1,996,962	$0	$100,000	$318,055
38		38	$0	$100,000	$473,478	$2,062,532	$0	$100,000	$328,885
39		39	$0	$100,000	$504,108	$2,129,697	$0	$100,000	$340,132
40		40	$0	$100,000	$536,536	$2,198,502	$0	$100,000	$351,350
41		41	$0	$100,000	$570,856	$2,268,991	$0	$100,000	$363,229
42		42	$0	$100,000	$607,189	$2,341,192	$0	$100,000	$375,573
43		43	$0	$100,000	$645,644	$2,415,150	$0	$100,000	$387,868
44		44	$0	$100,000	$686,344	$2,490,914	$0	$100,000	$400,922
45		45	$0	$100,000	$729,399	$2,568,514	$0	$100,000	$414,491
46		46	$0	$100,000	$774,928	$2,648,000	$0	$100,000	$427,996
47		47	$0	$100,000	$823,095	$2,729,424	$0	$100,000	$442,357
48		48	$0	$100,000	$874,089	$2,813,092	$0	$100,000	$457,290
49		49	$0	$100,000	$928,059	$2,899,082	$0	$100,000	$472,143
50		50	$0	$100,000	$985,204	$2,987,454	$0	$100,000	$487,955
51		51	$0	$100,000	$1,045,585	$3,078,064	$0	$100,000	$504,398
52		52	$0	$100,000	$1,109,471	$3,171,204	$0	$100,000	$520,749
53		53	$0	$100,000	$1,177,040	$3,266,960	$0	$100,000	$538,167
54		54	$0	$100,000	$1,248,374	$3,365,138	$0	$100,000	$556,282
55		55	$0	$100,000	$1,323,659	$3,465,804	$0	$100,000	$574,291
56		56	$0	$100,000	$1,403,036	$3,569,012	$0	$100,000	$593,484
57		57	$0	$100,000	$1,486,835	$3,675,155	$0	$100,000	$613,447
58		58	$0	$100,000	$1,575,210	$3,784,355	$0	$100,000	$633,290
59		59	$0	$100,000	$1,668,392	$3,896,727	$0	$100,000	$654,443
60		60	$0	$100,000	$1,766,562	$4,012,401	$0	$100,000	$676,447
61		61	$0	$100,000	$1,870,281	$4,132,230	$0	$100,000	$698,316
62		62	$0	$100,000	$1,979,625	$4,256,049	$0	$100,000	$721,633
63		63	$0	$100,000	$2,095,035	$4,384,404	$0	$100,000	$745,888
64		64	$0	$100,000	$2,216,965	$4,517,908	$0	$100,000	$769,994
65		65	$0	$100,000	$2,345,474	$4,656,420	$0	$100,000	$795,698
66		66	$0	$100,000	$2,481,034	$4,800,568	$0	$100,000	$822,437
67		67	$0	$100,000	$2,623,682	$4,949,739	$0	$100,000	$849,011
68		68	$0	$100,000	$2,773,918	$5,104,579	$0	$100,000	$877,349

WEALTH TRANSFER COMPARISON

Desjardins Insurance
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			Generational Legacy Plan				Taxable Investment Strategy		
End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Annual Premiums Paid	Cumulative Premiums Paid	Total Cash Value	Total Death Benefit	Total Annual Deposits	Cumulative Deposits	Portfolio Value (EoY)
69		69	$0	$100,000	$2,931,882	$5,264,849	$0	$100,000	$906,829
70		70	$0	$100,000	$3,097,780	$5,430,269	$0	$100,000	$936,125
71		71	$0	$100,000	$3,271,684	$5,600,506	$0	$100,000	$967,368
72		72	$0	$100,000	$3,454,441	$5,776,195	$0	$100,000	$999,869
73		73	$0	$100,000	$3,645,820	$5,956,442	$0	$100,000	$1,032,168
74		74	$0	$100,000	$3,846,314	$6,141,320	$0	$100,000	$1,066,614
75		75	$0	$100,000	$4,056,093	$6,330,342	$0	$100,000	$1,102,447
76		76	$0	$100,000	$4,275,774	$6,523,521	$0	$100,000	$1,138,058
77		77	$0	$100,000	$4,505,513	$6,720,271	$0	$100,000	$1,176,036
78		78	$0	$100,000	$4,745,449	$6,919,920	$0	$100,000	$1,215,544
79		79	$0	$100,000	$4,996,264	$7,122,362	$0	$100,000	$1,254,806
80		80	$0	$100,000	$5,258,210	$7,326,811	$0	$100,000	$1,296,680
81		81	$0	$100,000	$5,531,423	$7,532,404	$0	$100,000	$1,340,240
82		82	$0	$100,000	$5,816,029	$7,743,433	$0	$100,000	$1,383,528
83		83	$0	$100,000	$6,112,000	$7,963,127	$0	$100,000	$1,429,696
84		84	$0	$100,000	$6,419,013	$8,191,124	$0	$100,000	$1,477,725
85		85	$0	$100,000	$6,737,436	$8,429,391	$0	$100,000	$1,525,453
86		86	$0	$100,000	$7,060,623	$8,679,287	$0	$100,000	$1,576,356
87		87	$0	$100,000	$7,393,854	$8,940,624	$0	$100,000	$1,629,311
88		88	$0	$100,000	$7,737,742	$9,214,832	$0	$100,000	$1,681,934
89		89	$0	$100,000	$8,091,492	$9,501,739	$0	$100,000	$1,738,059
90		90	$0	$100,000	$8,454,997	$9,802,003	$0	$100,000	$1,796,445
91		91	$0	$100,000	$8,828,087	$10,116,331	$0	$100,000	$1,854,466
92		92	$0	$100,000	$9,209,738	$10,438,450	$0	$100,000	$1,916,348
93		93	$0	$100,000	$9,600,477	$10,762,261	$0	$100,000	$1,980,724
94		94	$0	$100,000	$10,002,461	$11,088,324	$0	$100,000	$2,044,696
95		95	$0	$100,000	$10,418,079	$11,416,260	$0	$100,000	$2,112,926
96		96	$0	$100,000	$10,853,842	$11,745,638	$0	$100,000	$2,183,904
97		97	$0	$100,000	$11,317,722	$12,077,124	$0	$100,000	$2,254,439
98		98	$0	$100,000	$11,823,205	$12,409,153	$0	$100,000	$2,329,667
99		99	$0	$100,000	$12,395,273	$12,742,347	$0	$100,000	$2,407,927
100		100	$0	$100,000	$13,076,147	$13,076,147	$0	$100,000	$2,485,696

GENERATIONAL LEGACY PLAN DETAILS

Desjardins Insurance
Life • Health • Retirement

End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Generational Legacy Plan Annual Premiums Paid	Cumulative Premiums Paid	Guaranteed Cash Value	Paid-Up Additions CSV	Total Cash Value	Annual Dividend	Total Death Benefit
1	66	1	$20,000	$20,000	$0	$317	$317	$386	$1,227,921
2	67	2	$20,000	$40,000	$0	$652	$652	$394	$1,227,921
3	68	3	$20,000	$60,000	$4,549	$1,015	$5,563	$403	$1,227,921
4	69	4	$20,000	$80,000	$10,527	$1,407	$11,934	$413	$1,227,921
5	70	5	$20,000	$100,000	$17,159	$2,780	$19,939	$1,381	$1,227,921
6	71	6	$0	$100,000	$23,927	$6,398	$30,325	$3,579	$1,227,921
7	72	7	$0	$100,000	$30,523	$10,294	$40,817	$3,740	$1,227,921
8	73	8	$0	$100,000	$36,801	$14,480	$51,281	$3,904	$1,227,921
9	74	9	$0	$100,000	$38,858	$18,976	$57,834	$4,079	$1,227,921
10	75	10	$0	$100,000	$40,873	$23,780	$64,654	$4,245	$1,227,921
11	76	11	$0	$100,000	$42,635	$28,127	$70,762	$3,636	$1,227,921
12	77	12	$0	$100,000	$44,260	$32,774	$77,034	$3,796	$1,227,921
13	78	13	$0	$100,000	$45,826	$37,760	$83,585	$3,989	$1,227,921
14	79	14	$0	$100,000	$47,387	$43,099	$90,486	$4,190	$1,227,921
15	80	15	$0	$100,000	$48,967	$48,825	$97,792	$4,410	$1,227,921
16	81	16	$0	$100,000	$50,583	$54,940	$105,523	$4,623	$1,227,921
17	82	17	$0	$100,000	$52,240	$61,491	$113,731	$4,870	$1,227,921
18	83	18	$0	$100,000	$53,951	$68,498	$122,449	$5,119	$1,227,921
19	84	19	$0	$100,000	$55,717	$75,970	$131,687	$5,368	$1,227,921
20	85	20	$0	$100,000	$57,533	$83,972	$141,505	$5,659	$1,227,921
21	86	21	$0	$100,000	$59,412	$92,533	$151,945	$5,973	$1,227,921
22	87	22	$0	$100,000	$61,355	$101,700	$163,056	$6,312	$1,227,921
23	88	23	$0	$100,000	$63,371	$111,508	$174,879	$6,662	$1,227,921
24	89	24	$0	$100,000	$65,463	$121,994	$187,457	$7,038	$1,268,702
* 25	90	25	$0	$100,000	$67,638	$133,195	$200,833	$7,437	$1,316,885
26		26	$0	$100,000	$71,324	$145,171	$216,495	$7,869	$1,366,340
27		27	$0	$100,000	$73,703	$157,965	$231,667	$8,314	$1,417,027
28		28	$0	$100,000	$76,149	$171,629	$247,779	$8,801	$1,469,082
29		29	$0	$100,000	$78,660	$186,193	$264,853	$9,275	$1,522,302
30		30	$0	$100,000	$81,252	$201,724	$282,976	$9,794	$1,576,818
31		31	$0	$100,000	$83,916	$218,277	$302,193	$10,343	$1,632,674
32		32	$0	$100,000	$86,676	$235,921	$322,597	$10,925	$1,689,908
33		33	$0	$100,000	$89,532	$254,682	$344,214	$11,507	$1,748,391
34		34	$0	$100,000	$92,478	$274,677	$367,155	$12,150	$1,808,302

* Policy transferred to grandchild

GENERATIONAL LEGACY PLAN DETAILS

Desjardins Insurance
Life • Health • Retirement

End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Generational Legacy Plan Annual Premiums Paid	Cumulative Premiums Paid	Guaranteed Cash Value	Paid-Up Additions CSV	Total Cash Value	Annual Dividend	Total Death Benefit
35		35	$0	$100,000	$95,524	$295,932	$391,455	$12,831	$1,869,684
36		36	$0	$100,000	$98,665	$318,567	$417,232	$13,546	$1,932,556
37		37	$0	$100,000	$101,911	$342,642	$444,553	$14,302	$1,996,962
38		38	$0	$100,000	$105,256	$368,222	$473,478	$15,010	$2,062,532
39		39	$0	$100,000	$108,697	$395,410	$504,108	$15,848	$2,129,697
40		40	$0	$100,000	$112,242	$424,294	$536,536	$16,734	$2,198,502
41		41	$0	$100,000	$115,879	$454,978	$570,856	$17,670	$2,268,991
42		42	$0	$100,000	$119,619	$487,570	$607,189	$18,653	$2,341,192
43		43	$0	$100,000	$123,473	$522,171	$645,644	$19,691	$2,415,150
44		44	$0	$100,000	$127,441	$558,903	$686,344	$20,788	$2,490,914
45		45	$0	$100,000	$131,526	$597,873	$729,399	$21,941	$2,568,514
46		46	$0	$100,000	$135,734	$639,194	$774,928	$23,157	$2,648,000
47		47	$0	$100,000	$140,065	$683,030	$823,095	$24,441	$2,729,424
48		48	$0	$100,000	$144,522	$729,566	$874,089	$25,875	$2,813,092
49		49	$0	$100,000	$149,112	$778,947	$928,059	$27,394	$2,899,082
50		50	$0	$100,000	$153,833	$831,371	$985,204	$28,999	$2,987,454
51		51	$0	$100,000	$158,686	$886,900	$1,045,585	$30,624	$3,078,064
52		52	$0	$100,000	$163,674	$945,796	$1,109,471	$32,419	$3,171,204
53		53	$0	$100,000	$168,799	$1,008,241	$1,177,040	$34,321	$3,266,960
54		54	$0	$100,000	$174,056	$1,074,318	$1,248,374	$36,231	$3,365,138
55		55	$0	$100,000	$179,454	$1,144,205	$1,323,659	$38,243	$3,465,804
56		56	$0	$100,000	$184,983	$1,218,053	$1,403,036	$40,356	$3,569,012
57		57	$0	$100,000	$190,652	$1,296,182	$1,486,835	$42,711	$3,675,155
58		58	$0	$100,000	$196,454	$1,378,756	$1,575,210	$45,208	$3,784,355
59		59	$0	$100,000	$202,387	$1,466,006	$1,668,392	$47,850	$3,896,727
60		60	$0	$100,000	$208,456	$1,558,106	$1,766,562	$50,649	$4,012,401
61		61	$0	$100,000	$214,648	$1,655,633	$1,870,281	$53,936	$4,132,230
62		62	$0	$100,000	$220,962	$1,758,663	$1,979,625	$57,272	$4,256,049
63		63	$0	$100,000	$227,399	$1,867,636	$2,095,035	$60,991	$4,384,404
64		64	$0	$100,000	$233,954	$1,983,011	$2,216,965	$65,143	$4,517,908
65		65	$0	$100,000	$240,623	$2,104,852	$2,345,474	$69,376	$4,656,420
66		66	$0	$100,000	$247,391	$2,233,643	$2,481,034	$74,075	$4,800,568
67		67	$0	$100,000	$254,264	$2,369,418	$2,623,682	$78,617	$4,949,739
68		68	$0	$100,000	$261,227	$2,512,691	$2,773,918	$83,659	$5,104,579

GENERATIONAL LEGACY PLAN DETAILS

Desjardins Insurance
Life • Health • Retirement

Generational Legacy Plan

End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Annual Premiums Paid	Cumulative Premiums Paid	Guaranteed Cash Value	Paid-Up Additions CSV	Total Cash Value	Annual Dividend	Total Death Benefit
69		69	$0	$100,000	$268,277	$2,663,605	$2,931,882	$88,735	$5,264,849
70		70	$0	$100,000	$275,408	$2,822,372	$3,097,780	$93,820	$5,430,269
71		71	$0	$100,000	$282,613	$2,989,071	$3,271,684	$98,872	$5,600,506
72		72	$0	$100,000	$289,885	$3,164,557	$3,454,441	$104,463	$5,776,195
73		73	$0	$100,000	$297,220	$3,348,600	$3,645,820	$109,691	$5,956,442
74		74	$0	$100,000	$304,615	$3,541,699	$3,846,314	$115,129	$6,141,320
75		75	$0	$100,000	$312,064	$3,744,029	$4,056,093	$120,431	$6,330,342
76		76	$0	$100,000	$319,564	$3,956,210	$4,275,774	$125,916	$6,523,521
77		77	$0	$100,000	$327,126	$4,178,386	$4,505,513	$131,193	$6,720,271
78		78	$0	$100,000	$334,748	$4,410,700	$4,745,449	$136,189	$6,919,920
79		79	$0	$100,000	$342,442	$4,653,822	$4,996,264	$141,282	$7,122,362
80		80	$0	$100,000	$350,228	$4,907,983	$5,258,210	$145,999	$7,326,811
81		81	$0	$100,000	$358,131	$5,173,292	$5,531,423	$150,257	$7,532,404
82		82	$0	$100,000	$366,188	$5,449,840	$5,816,029	$157,772	$7,743,433
83		83	$0	$100,000	$374,459	$5,737,541	$6,112,000	$167,861	$7,963,127
84		84	$0	$100,000	$383,007	$6,036,006	$6,419,013	$177,867	$8,191,124
85		85	$0	$100,000	$391,932	$6,345,504	$6,737,436	$189,572	$8,429,391
86		86	$0	$100,000	$394,642	$6,665,982	$7,060,623	$202,521	$8,679,287
87		87	$0	$100,000	$397,352	$6,996,503	$7,393,854	$215,448	$8,940,624
88		88	$0	$100,000	$400,062	$7,337,680	$7,737,742	$229,663	$9,214,832
89		89	$0	$100,000	$402,767	$7,688,725	$8,091,492	$243,811	$9,501,739
90		90	$0	$100,000	$405,477	$8,049,519	$8,454,997	$258,554	$9,802,003
91		91	$0	$100,000	$408,187	$8,419,900	$8,828,087	$273,909	$10,116,331
92		92	$0	$100,000	$410,893	$8,798,845	$9,209,738	$283,867	$10,438,450
93		93	$0	$100,000	$413,603	$9,186,874	$9,600,477	$288,584	$10,762,261
94		94	$0	$100,000	$416,313	$9,586,148	$10,002,461	$293,923	$11,088,324
95		95	$0	$100,000	$419,023	$9,999,056	$10,418,079	$299,120	$11,416,260
96		96	$0	$100,000	$423,254	$10,430,588	$10,853,842	$304,260	$11,745,638
97		97	$0	$100,000	$427,966	$10,889,757	$11,317,722	$310,570	$12,077,124
98		98	$0	$100,000	$433,717	$11,389,488	$11,823,205	$316,317	$12,409,153
99		99	$0	$100,000	$441,607	$11,953,666	$12,395,273	$324,118	$12,742,347
100		100	$0	$100,000	$453,945	$12,622,202	$13,076,147	$333,800	$13,076,147

TAXABLE INVESTMENT DETAILS (FOR GRANDPARENT)

Desjardins Insurance
Life • Health • Retirement

				Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Total Annual Deposits	Values, Beginning of Year	Annual Growth	Tax on Annual Growth	Values, Beginning of Year	Annual Dividends	Tax on Annual Dividends	Realized Capital Gain	Tax on Realized Capital Gain	Deferred Capital Gain	Tax on Deferred Gain if Realized in the Year of Transfer	Tax on Total Realized Growth	Cumulative Tax	Net Value on Transfer (EoY)
1	66	1	$20,000	$8,000	$247	$132	$12,000	$248	$98	$50	$13	$446	$119	$363	$363	$20,628
2	67	2	$20,000	$16,115	$498	$266	$24,633	$509	$200	$146	$39	$1,318	$353	$859	$1,102	$41,914
3	68	3	$20,000	$24,346	$752	$402	$37,921	$784	$308	$328	$88	$2,523	$675	$1,474	$2,223	$63,896
4	69	4	$20,000	$33,832	$1,045	$559	$50,738	$1,049	$413	$461	$123	$4,149	$1,110	$2,205	$3,753	$86,556
5	70	5	$20,000	$42,318	$1,307	$699	$65,348	$1,351	$531	$685	$183	$6,165	$1,650	$3,064	$5,707	$109,960
6	71	6	$0	$42,925	$1,326	$710	$68,685	$1,419	$558	$1,146	$307	$7,796	$2,087	$3,661	$7,718	$113,532
7	72	7	$0	$46,273	$1,429	$765	$69,346	$1,433	$564	$1,060	$284	$9,537	$2,553	$4,165	$9,796	$117,182
8	73	8	$0	$46,937	$1,449	$776	$72,798	$1,504	$592	$1,255	$336	$11,292	$3,022	$4,726	$11,969	$120,971
9	74	9	$0	$47,610	$1,470	$787	$76,383	$1,579	$621	$1,898	$508	$12,506	$3,347	$5,263	$14,210	$124,933
10	75	10	$0	$51,359	$1,586	$849	$76,921	$1,590	$625	$1,556	$417	$14,007	$3,749	$5,640	$16,503	$128,995
11	76	11	$0	$52,096	$1,609	$861	$80,649	$1,667	$656	$1,734	$464	$15,607	$4,177	$6,158	$18,912	$133,195
12	77	12	$0	$52,843	$1,632	$874	$84,529	$1,747	$687	$2,513	$673	$16,556	$4,431	$6,665	$21,400	$137,577
13	78	13	$0	$56,866	$1,756	$940	$85,142	$1,760	$692	$1,991	$533	$17,923	$4,797	$6,962	$23,931	$142,080
14	79	14	$0	$57,681	$1,781	$953	$89,196	$1,843	$725	$2,161	$578	$19,449	$5,205	$7,462	$26,596	$146,726
15	80	15	$0	$58,509	$1,807	$967	$93,423	$1,931	$760	$3,064	$820	$20,224	$5,413	$7,960	$29,350	$151,567
16	81	16	$0	$62,868	$1,941	$1,039	$94,112	$1,945	$765	$2,392	$640	$21,525	$5,761	$8,206	$32,143	$156,550
17	82	17	$0	$63,770	$1,969	$1,054	$98,541	$2,037	$801	$2,560	$685	$23,039	$6,166	$8,707	$35,089	$161,683
18	83	18	$0	$64,685	$1,998	$1,069	$103,165	$2,132	$839	$3,585	$960	$23,701	$6,344	$9,211	$38,134	$167,027
19	84	19	$0	$69,437	$2,144	$1,148	$103,934	$2,148	$845	$2,777	$743	$24,992	$6,689	$9,425	$41,215	$172,533
20	85	20	$0	$70,433	$2,175	$1,164	$108,789	$2,248	$884	$2,949	$789	$26,539	$7,103	$9,941	$44,467	$178,201
21	86	21	$0	$71,444	$2,206	$1,181	$113,861	$2,353	$926	$4,099	$1,097	$27,134	$7,262	$10,466	$47,830	$184,098
22	87	22	$0	$76,645	$2,366	$1,267	$114,715	$2,371	$933	$3,161	$846	$28,453	$7,616	$10,661	$51,229	$190,178
23	88	23	$0	$77,745	$2,401	$1,285	$120,049	$2,481	$976	$3,342	$894	$30,074	$8,049	$11,205	$54,818	$196,433
24	89	24	$0	$78,860	$2,435	$1,304	$125,621	$2,596	$1,021	$4,624	$1,238	$30,633	$8,199	$11,761	$58,530	$202,938
* 25	90	25	$0	$84,568	$2,611	$1,398	$126,569	$2,616	$1,029	$3,557	$952	$32,014	$8,568	$11,947	$62,279	$209,648
26		26	$0	$85,782	$2,649	$1,418	$132,435	$2,737	$1,077	$3,749	$1,003	$33,739	$9,030	$12,528	$66,238	$216,548
27		27	$0	$87,013	$2,687	$1,438	$138,566	$2,864	$1,127	$5,172	$1,384	$34,287	$9,177	$13,126	$70,334	$223,723
28		28	$0	$93,287	$2,880	$1,542	$139,613	$2,885	$1,135	$3,973	$1,063	$35,756	$9,570	$13,310	$74,468	$231,126
29		29	$0	$94,625	$2,922	$1,564	$146,071	$3,019	$1,188	$4,179	$1,119	$37,615	$10,068	$13,938	$78,836	$238,737
30		30	$0	$95,983	$2,964	$1,587	$152,821	$3,158	$1,242	$5,755	$1,540	$38,169	$10,216	$14,586	$83,354	$246,650
31		31	$0	$102,887	$3,177	$1,700	$153,978	$3,182	$1,252	$4,417	$1,182	$39,752	$10,640	$14,774	$87,912	$254,815
32		32	$0	$104,364	$3,223	$1,725	$161,091	$3,329	$1,310	$4,641	$1,242	$41,770	$11,180	$15,457	$92,729	$263,208
33		33	$0	$105,861	$3,269	$1,750	$168,527	$3,483	$1,370	$6,383	$1,709	$42,346	$11,334	$16,163	$97,712	$271,934
34		34	$0	$113,464	$3,503	$1,875	$169,805	$3,509	$1,381	$4,896	$1,310	$44,065	$11,794	$16,360	$102,738	$280,939

* Policy transferred to grandchild

TAXABLE INVESTMENT DETAILS (FOR GRANDPARENT)

				Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Grandparent's Age (Policyowner)	Grandchild's Age (Life Insured)	Total Annual Deposits	Values, Beginning of Year	Annual Growth	Tax on Annual Growth	Values, Beginning of Year	Annual Dividends	Tax on Annual Dividends	Realized Capital Gain	Tax on Realized Capital Gain	Deferred Capital Gain	Tax on Deferred Gain if Realized in the Year of Transfer	Tax on Total Realized Growth	Cumulative Tax	Net Value on Transfer (EoY)
35		35	$0	$115,092	$3,554	$1,902	$177,641	$3,671	$1,444	$5,141	$1,376	$46,266	$12,383	$17,106	$108,050	$290,195

TAXABLE INVESTMENT DETAILS (FOR GRANDCHILD)

Desjardins Insurance
Life • Health • Retirement

			Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Grandchild's Age (Life Insured)	Total Annual Deposits	Values, Beginning of Year	Annual Growth	Tax on Annual Growth	Values, Beginning of Year	Annual Dividends	Tax on Annual Dividends	Realized Capital Gain	Tax on Realized Capital Gain	Deferred Capital Gain	Tax on Deferred Gain if Realized in the Year of Transfer	Tax on Total Realized Growth	Cumulative Tax	Net Value on Transfer (EoY)
26	26	$209,648	$83,859	$2,589	$1,386	$125,789	$2,600	$1,023	$520	$139	$4,679	$1,252	$3,800	$3,800	$216,236
27	27	$0	$85,062	$2,627	$1,406	$132,426	$2,737	$1,077	$1,015	$272	$9,138	$2,446	$5,200	$7,748	$223,125
28	28	$0	$86,283	$2,665	$1,426	$139,288	$2,879	$1,132	$1,886	$505	$12,852	$3,440	$6,503	$11,806	$230,365
29	29	$0	$93,563	$2,889	$1,546	$140,242	$2,898	$1,140	$1,854	$496	$16,688	$4,467	$7,649	$16,015	$237,739
30	30	$0	$94,905	$2,931	$1,569	$147,301	$3,044	$1,198	$2,278	$610	$20,499	$5,487	$8,863	$20,411	$245,407
31	31	$0	$96,267	$2,973	$1,591	$154,626	$3,196	$1,257	$3,525	$943	$23,261	$6,226	$10,018	$24,942	$253,430
32	32	$0	$103,948	$3,209	$1,718	$155,707	$3,218	$1,266	$2,947	$789	$26,525	$7,100	$10,872	$29,589	$261,646
33	33	$0	$105,440	$3,256	$1,743	$163,306	$3,375	$1,328	$3,328	$891	$29,948	$8,016	$11,977	$34,466	$270,150
34	34	$0	$106,953	$3,303	$1,768	$171,213	$3,538	$1,392	$4,872	$1,304	$32,081	$8,586	$13,050	$39,501	$279,026
35	35	$0	$115,166	$3,556	$1,903	$172,447	$3,564	$1,402	$3,890	$1,041	$35,006	$9,369	$13,716	$44,631	$288,144
36	36	$0	$116,818	$3,607	$1,931	$180,695	$3,734	$1,469	$4,247	$1,137	$38,227	$10,232	$14,768	$50,030	$297,555
37	37	$0	$118,494	$3,659	$1,959	$189,292	$3,912	$1,539	$6,056	$1,621	$39,944	$10,691	$15,810	$55,608	$307,364
38	38	$0	$127,372	$3,933	$2,105	$190,683	$3,941	$1,550	$4,744	$1,270	$42,693	$11,427	$16,352	$61,269	$317,458
39	39	$0	$129,200	$3,990	$2,136	$199,685	$4,127	$1,623	$5,095	$1,364	$45,852	$12,272	$17,395	$67,237	$327,860
40	40	$0	$131,054	$4,047	$2,167	$209,079	$4,321	$1,700	$7,158	$1,916	$47,299	$12,660	$18,442	$73,407	$338,690
41	41	$0	$140,717	$4,345	$2,326	$210,633	$4,353	$1,713	$5,555	$1,487	$49,993	$13,381	$18,905	$79,653	$349,848
42	42	$0	$142,736	$4,408	$2,359	$220,493	$4,557	$1,793	$5,911	$1,582	$53,196	$14,238	$19,972	$86,244	$361,335
43	43	$0	$144,784	$4,471	$2,394	$230,789	$4,770	$1,876	$8,233	$2,203	$54,475	$14,580	$21,054	$93,060	$373,288
44	44	$0	$155,350	$4,796	$2,568	$232,518	$4,805	$1,890	$6,356	$1,701	$57,205	$15,311	$21,470	$99,950	$385,611
45	45	$0	$157,579	$4,866	$2,605	$243,343	$5,029	$1,978	$6,726	$1,800	$60,537	$16,203	$22,586	$107,225	$398,289
46	46	$0	$159,840	$4,936	$2,642	$254,651	$5,263	$2,070	$9,319	$2,494	$61,723	$16,520	$23,727	$114,749	$411,476
47	47	$0	$171,428	$5,293	$2,833	$256,569	$5,302	$2,086	$7,174	$1,920	$64,562	$17,280	$24,119	$122,348	$425,077
48	48	$0	$173,887	$5,369	$2,874	$268,470	$5,548	$2,183	$7,566	$2,025	$68,093	$18,225	$25,307	$130,375	$439,065
49	49	$0	$176,382	$5,447	$2,916	$280,907	$5,805	$2,284	$10,446	$2,796	$69,240	$18,532	$26,528	$138,678	$453,611
50	50	$0	$189,114	$5,839	$3,126	$283,029	$5,849	$2,301	$8,028	$2,149	$72,248	$19,337	$26,913	$147,059	$468,617
51	51	$0	$191,827	$5,923	$3,171	$296,128	$6,120	$2,408	$8,449	$2,261	$76,039	$20,352	$28,192	$155,913	$484,046
52	52	$0	$194,580	$6,009	$3,217	$309,819	$6,403	$2,519	$11,640	$3,116	$77,191	$20,660	$29,511	$165,072	$500,089
53	53	$0	$208,585	$6,440	$3,447	$312,164	$6,451	$2,538	$8,936	$2,392	$80,420	$21,524	$29,901	$174,314	$516,642
54	54	$0	$211,578	$6,533	$3,497	$326,589	$6,749	$2,655	$9,392	$2,514	$84,527	$22,624	$31,290	$184,079	$533,658
55	55	$0	$214,614	$6,628	$3,548	$341,668	$7,061	$2,778	$12,922	$3,459	$85,715	$22,942	$32,726	$194,182	$551,350
56	56	$0	$230,033	$7,102	$3,802	$344,258	$7,115	$2,799	$9,913	$2,653	$89,214	$23,878	$33,132	$204,372	$569,606
57	57	$0	$233,334	$7,205	$3,857	$360,150	$7,443	$2,928	$10,410	$2,786	$93,690	$25,076	$34,647	$215,141	$588,371
58	58	$0	$236,682	$7,309	$3,913	$376,765	$7,786	$3,063	$14,310	$3,830	$94,942	$25,411	$36,217	$226,282	$607,879
59	59	$0	$253,667	$7,832	$4,192	$379,624	$7,846	$3,086	$10,973	$2,937	$98,754	$26,432	$36,647	$237,518	$628,012

TAXABLE INVESTMENT DETAILS (FOR GRANDCHILD)

Desjardins Insurance
Life • Health • Retirement

			Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Grandchild's Age (Life Insured)	Total Annual Deposits	Values, Beginning of Year	Annual Growth	Tax on Annual Growth	Values, Beginning of Year	Annual Dividends	Tax on Annual Dividends	Realized Capital Gain	Tax on Realized Capital Gain	Deferred Capital Gain	Tax on Deferred Gain if Realized in the Year of Transfer	Tax on Total Realized Growth	Cumulative Tax	Net Value on Transfer (EoY)
60	60	$0	$257,306	$7,945	$4,253	$397,137	$8,207	$3,229	$11,517	$3,083	$103,652	$27,743	$38,307	$249,394	$648,704
61	61	$0	$260,999	$8,060	$4,315	$415,448	$8,586	$3,378	$15,823	$4,235	$104,991	$28,101	$40,028	$261,680	$670,215
62	62	$0	$279,714	$8,636	$4,623	$418,602	$8,651	$3,403	$12,129	$3,246	$109,163	$29,217	$40,490	$274,069	$692,416
63	63	$0	$283,727	$8,761	$4,690	$437,906	$9,050	$3,560	$12,726	$3,406	$114,537	$30,656	$42,312	$287,163	$715,232
64	64	$0	$287,799	$8,888	$4,758	$458,089	$9,467	$3,724	$17,478	$4,678	$115,983	$31,043	$44,203	$300,711	$738,951
65	65	$0	$308,426	$9,523	$5,097	$461,568	$9,539	$3,753	$13,396	$3,585	$120,560	$32,268	$44,703	$314,371	$763,431
66	66	$0	$312,851	$9,661	$5,171	$482,848	$9,979	$3,926	$14,052	$3,761	$126,466	$33,849	$46,706	$328,810	$788,589
67	67	$0	$317,340	$9,800	$5,246	$505,097	$10,439	$4,107	$19,293	$5,164	$128,039	$34,270	$48,786	$343,747	$814,742
68	68	$0	$340,077	$10,500	$5,621	$508,934	$10,518	$4,138	$14,785	$3,957	$133,069	$35,616	$49,332	$358,809	$841,733
69	69	$0	$344,956	$10,652	$5,702	$532,393	$11,003	$4,328	$15,507	$4,151	$139,567	$37,355	$51,536	$374,730	$869,473
70	70	$0	$349,906	$10,806	$5,785	$556,922	$11,510	$4,528	$21,289	$5,698	$141,286	$37,815	$53,826	$391,200	$898,309
71	71	$0	$374,971	$11,577	$6,197	$561,154	$11,597	$4,562	$16,313	$4,366	$146,821	$39,297	$54,423	$407,808	$928,071
72	72	$0	$380,351	$11,745	$6,287	$587,017	$12,132	$4,773	$17,108	$4,579	$153,976	$41,212	$56,850	$425,361	$958,657
73	73	$0	$385,809	$11,915	$6,378	$614,060	$12,691	$4,992	$23,484	$6,286	$155,860	$41,716	$59,372	$443,522	$990,452
74	74	$0	$413,442	$12,765	$6,833	$618,726	$12,787	$5,030	$17,995	$4,816	$161,954	$43,347	$60,027	$461,833	$1,023,267
75	75	$0	$419,374	$12,950	$6,932	$647,240	$13,376	$5,262	$18,871	$5,051	$169,836	$45,457	$62,702	$481,187	$1,056,991
76	76	$0	$425,392	$13,137	$7,032	$677,056	$13,992	$5,505	$25,902	$6,933	$171,906	$46,011	$65,480	$501,211	$1,092,047
77	77	$0	$455,857	$14,075	$7,534	$682,200	$14,099	$5,546	$19,847	$5,312	$178,620	$47,808	$66,200	$521,400	$1,128,229
78	78	$0	$462,398	$14,278	$7,643	$713,638	$14,749	$5,802	$20,812	$5,570	$187,305	$50,132	$69,148	$542,741	$1,165,412
79	79	$0	$469,033	$14,485	$7,754	$746,512	$15,428	$6,069	$28,565	$7,645	$189,582	$50,742	$72,210	$564,819	$1,204,065
80	80	$0	$502,622	$15,518	$8,307	$752,184	$15,545	$6,115	$21,887	$5,858	$196,979	$52,722	$73,002	$587,079	$1,243,958
81	81	$0	$509,833	$15,743	$8,427	$786,846	$16,261	$6,397	$22,950	$6,143	$206,552	$55,284	$76,251	$610,608	$1,284,956
82	82	$0	$517,149	$15,971	$8,549	$823,091	$17,011	$6,692	$31,499	$8,431	$209,059	$55,955	$79,627	$634,951	$1,327,574
83	83	$0	$554,182	$17,110	$9,159	$829,346	$17,140	$6,743	$24,135	$6,460	$217,212	$58,137	$80,498	$659,495	$1,371,560
84	84	$0	$562,134	$17,358	$9,292	$867,563	$17,930	$7,054	$25,307	$6,773	$227,764	$60,961	$84,080	$685,438	$1,416,764
85	85	$0	$570,200	$17,610	$9,426	$907,525	$18,756	$7,378	$34,733	$9,296	$230,525	$61,700	$87,801	$712,278	$1,463,753
86	86	$0	$611,031	$18,866	$10,099	$914,421	$18,898	$7,434	$26,612	$7,123	$239,512	$64,105	$88,762	$739,340	$1,512,251
87	87	$0	$619,798	$19,139	$10,245	$956,558	$19,769	$7,777	$27,905	$7,469	$251,145	$67,219	$92,710	$767,944	$1,562,092
88	88	$0	$628,692	$19,416	$10,393	$1,000,619	$20,679	$8,135	$38,298	$10,251	$254,187	$68,033	$96,812	$797,538	$1,613,901
89	89	$0	$673,711	$20,801	$11,135	$1,008,223	$20,837	$8,197	$29,344	$7,854	$264,095	$70,685	$97,871	$827,375	$1,667,374
90	90	$0	$683,377	$21,102	$11,296	$1,054,682	$21,797	$8,575	$30,769	$8,235	$276,919	$74,117	$102,224	$858,914	$1,722,328
91	91	$0	$693,184	$21,408	$11,460	$1,103,262	$22,801	$8,970	$42,228	$11,302	$280,272	$75,015	$106,747	$891,543	$1,779,452
92	92	$0	$742,820	$22,935	$12,277	$1,111,646	$22,974	$9,038	$32,355	$8,660	$291,195	$77,938	$107,913	$924,441	$1,838,410
93	93	$0	$753,478	$23,267	$12,455	$1,162,870	$24,033	$9,454	$33,926	$9,080	$305,334	$81,723	$112,712	$959,215	$1,899,001

TAXABLE INVESTMENT DETAILS (FOR GRANDCHILD)

			Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Grandchild's Age (Life Insured)	Total Annual Deposits	Values, Beginning of Year	Annual Growth	Tax on Annual Growth	Values, Beginning of Year	Annual Dividends	Tax on Annual Dividends	Realized Capital Gain	Tax on Realized Capital Gain	Deferred Capital Gain	Tax on Deferred Gain if Realized in the Year of Transfer	Tax on Total Realized Growth	Cumulative Tax	Net Value on Transfer (EoY)
94	94	$0	$764,290	$23,604	$12,635	$1,216,434	$25,140	$9,890	$46,561	$12,462	$309,030	$82,712	$117,699	$995,191	$1,961,984
95	95	$0	$819,018	$25,287	$13,536	$1,225,678	$25,331	$9,965	$35,675	$9,548	$321,072	$85,935	$118,985	$1,031,464	$2,026,991
96	96	$0	$830,769	$25,653	$13,732	$1,282,156	$26,498	$10,424	$37,407	$10,012	$336,661	$90,107	$124,276	$1,069,804	$2,093,797
97	97	$0	$842,690	$26,025	$13,931	$1,341,214	$27,718	$10,904	$51,338	$13,741	$340,735	$91,198	$129,774	$1,109,471	$2,163,241
98	98	$0	$903,032	$27,881	$14,925	$1,351,407	$27,929	$10,987	$39,335	$10,528	$354,012	$94,751	$131,191	$1,149,465	$2,234,916
99	99	$0	$915,989	$28,285	$15,141	$1,413,679	$29,216	$11,494	$41,244	$11,039	$371,200	$99,352	$137,025	$1,191,739	$2,308,575
100	100	$0	$929,133	$28,695	$15,360	$1,478,794	$30,562	$12,023	$56,605	$15,150	$375,691	$100,554	$143,087	$1,235,474	$2,385,143

IMPORTANT INFORMATION

This **Generational Legacy Plan** concept presentation is only complete if it contains all the pages. It must be accompanied by the complete illustration of the appropriate life insurance product prepared within 30 days of the date of this concept presentation as they are an integral part of the document.

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The benefits shown in the concept presentation are based on a set of assumptions that are certain to change over time, and which may or may not be achieved depending on actual performance. No warranty can be made as to the applicability of assumptions used. Assumptions which may be affected by actual experience may include, without limitation, one or more of the following, if applicable: the amount and timing of deposits to life insurance policies; the appointment of contingent or subrogated policyowners or the designation of named beneficiaries on a life insurance policy which would allow the value of the policy to bypass the estate; tax rates; interest rates; performance credit scales; inflation; the tax treatment that applies to the life insurance policy and income, dividend and capital gains taxes. If actual experience is less favourable than that shown in the concept presentation and the attached life insurance product illustration, cash values available at time of policy transfer could be lower than projected. Please refer to the attached life insurance product illustration for limitations on policy values and guarantees.

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The use of this concept presentation does not guarantee acceptance of the coverage amount or amounts applied for. The proposed insured must satisfy medical and financial underwriting requirements and must qualify for the coverage once the application has been submitted.

Adjusted cost basis (ACB): The cost of a life insurance policy used for tax purposes. This is a complex formula that varies with different contracts depending upon when they were issued. Only the insurance carrier can provide an up-to-date adjusted cost basis for an in-force policy.

Annualized premium: The insurance policy offers a variety of premium payment options. The premium can be paid on a monthly, quarterly, semi-annual or annual basis (at Desjardins, only monthly and annual options are available). The annualized premium is the total amount of premium paid per year.

Child: For the purposes of taxation and of this concept report, the definition of "child" includes:

- A child of the policyowner
- A grandchild of the policyowner
- A person who, before reaching 19 years of age, relied entirely on the policyowner for financial support and was under the policyowner's custody and control, whether in law or in fact
- A person of whom the policyowner is a legal parent
- A child of the policyowner's spouse or common-law partner
- A person who was a child of the policyowner immediately before the death of the person's spouse or common-law partner

See subsections 148(9) "child", 70(10) and 252(1) of the *Income Tax Act* for more details.

Deemed disposition: A person is considered to have disposed of all of their assets immediately prior to death for an amount equal to the fair market value of the assets. This results in a valuation of the deceased's holdings at the date of death, regardless of if the assets are to be sold or not. Due to this deemed disposition, all unrealized capital gains or losses from capital property will be triggered upon death and payable by the deceased's estate unless the asset is transferred to the deceased's spouse or common-law partner or a trust for their benefit using the spousal rollover. In addition, the deceased's registered plans (with the exception of registered pension plans, deferred profit sharing plans and first home savings account) which are taxable on withdrawal will be deemed to have been surrendered and the plan values included in their income for the year of death. This income inclusion can be deferred if the value of the registered plan is transferred to an eligible plan of the deceased's spouse or common-law partner, to an eligible plan of the deceased's financially dependent child or grandchild who depended on the deceased because of an impairment in physical or mental functions or to term certain annuity for a minor financially dependent child or grandchild, under 18 of age, of the deceased annuitant.

Estate administration: This is the process whereby after a person's death their assets are collected and, after taxes and other liabilities have been paid, distributed to their heirs according to the terms of the deceased's will or, if they did not have a valid will, the intestacy rules of the deceased's province or territory of residence.

Fair market value : The fair market value of an asset is generally considered to be the price that a prudent and informed purchaser would pay to a prudent and informed seller in an open market where the purchaser and the seller are acting independently of the other. The fair market value of a life insurance policy is to be determined by a professional valuation.

Final expenses: These are the costs associated with the funeral and burial, cremation, or other means of disposition of a person's remains after their death. Final expenses are paid out of the estate, and family members who pay the costs initially are entitled to be reimbursed.

***Income Tax Act*:** The federal statute that governs taxation of the income of individuals, corporations, partnerships, trusts and estates in Canada. The provinces and territories also levy income tax. The *Income Tax Act* is amended on a regular basis.

Intergenerational policy rollover: When the policyowner of a life insurance policy transfers the policy during lifetime for no consideration or on death via a contingent owner appointment to a "child" as defined for tax purposes and the "child" is the only person whose life is insured under the policy, the transfer is deemed to occur at the policy's adjusted cost basis. This results in a tax-deferred rollover to the child or grandchild. However, the intergenerational policy rollover will typically not apply if an interest in a life insurance policy is transferred to a child under provisions in the policyowner's will or to a trust for the benefit of a child, if the child is not the only life insured on the policy at the time of transfer or if a consideration is given by the child for the transfer. See subsection 148(8) of the *Income Tax Act* for more details.

GLOSSARY

Life insurance: The insurance company provides a payment of a non-taxable death benefit to the beneficiary upon death of the insured.

Policy disposition: The change of ownership, surrender (partial or total), policy loan or payout of a dividend of a life insurance policy is considered a disposition for tax purposes. Where a person owns a life insurance policy on the life of another person, there can be a policy disposition during the policyowner's lifetime or on their death. There are tax-deferred rollovers available for transfers between spouses and common-law partners, as well as intergenerational policy rollovers, subject to specific limitations. On the death of a policyowner who is not the life insured, if no rollover is available, the policy will be deemed to have been disposed of for the proceeds of disposition equal to the greater of the policy's cash value and the policy's adjusted cost basis, and, if the policy's cash value is more than the adjusted cost basis, a taxable income inclusion will have to be reported on the deceased policyowner's tax return.

Probate: After a person has died, probate is the provincially or territorially mandated process of establishing the existence and validity of a will, as well as confirming the appointment of the executor (referred to as the estate trustee in Ontario and the liquidator in Quebec). In the absence of a will, the probate process operates as per the intestacy rules of that jurisdiction with respect to the appointment of a person to administer the estate. If a resident of Quebec or a person who owns assets located in Quebec has a will prepared by a Notary, probate will not be required for those assets. Once appointed, the executor is responsible for handling all of the duties and responsibilities involved with the estate administration.

Spousal rollover: Assets, including capital properties, may be transferred to a person's spouse or common-law partner or to a trust where the spouse or common-law partner is the only income and capital beneficiary during their lifetime with no immediate tax implications. The transfer can take place during the transferor's lifetime or after their death; however, transfers that occur during the transferor's lifetime may be subject to attribution rules. The person's spouse or common-law partner, or a trust for their benefit, will assume the transferor's adjusted cost base and fair market value for tax purposes. This provides a means for the deferral of income taxes until the second person's death, or such time that a withdrawal is made or the asset is disposed of. Both the transferor and the spouse or common-law partner must be resident in Canada immediately before the relevant transfer date.