GENERATIONAL LEGACY PLAN

Nurturing Dreams, Building Wealth

Child Client2

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SCENARIOS AND ASSUMPTIONS

Desjardins Insurance
Life • Health • Retirement

Age of Analysis

Parent, 75
Child, 30

Insured

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

Policyowner

New Client1 (Male, 45, Preferred / Non-smoker)

Scenario

Parent to child

Illustration

Product	Participating Life Insurance
Coverage Category	Permanent Life
Coverage Type	Individual
Coverage	Estate Enhancer – 20 Pay
Amount	$964,181
Annual Premium	$9,999.99

Dividend Option: Paid-Up Additions (PUA)
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 and your family are enjoying life, with a balance of work and leisure activities.
- You have low to moderate debt and a growing taxable investment portfolio.
- You want to leave an inheritance for your child that provides your child 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 child 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 child's future financial security by using a cash value life insurance policy on your child'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 child 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 child 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 child. The policy is part of the legacy that you plan to leave for your child, 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 child. 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 child on a tax-deferred basis using an intergenerational policy rollover under the tax rules.

SCENARIO: PARENT TO CHILD

Step 1: Policy purchase

Parent purchases the policy and pays the premium. Child is the life insured.

Step 2: During parent's lifetime or upon death

Parent has the discretion to transfer ownership to the child either at age of majority or at a later date.

Step 3: Child becomes the owner of the policy

Child 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 child is insured for life

You can protect your child'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 child's future.

Provides a living gift

Gifting life insurance with cash values is a thoughtful and innovative present as it provides your child with guaranteed lifelong insurance as long as the required premiums are paid or if the policy is paid up. As your child 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 child becomes older and their financial situation evolves, their focus may shift towards wealth accumulation, estate planning, and wealth transfer.

Meets your child's changing lifetime needs

The accumulating cash values inside the life insurance policy can be a source of long-term financial empowerment for your child. 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 child 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 child 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 child. Appointing your child 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 child is still young. While your child is a minor, the policy can be transferred to your child with a person who is appointed to manage your minor child'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 child, in most cases your consent will be required before the cash values can be accessed.[3] Once your child is the policyowner, you can consent to a new beneficiary designation – which would see your child to step into the role of being the policyowner.

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 child as the contingent policyowner, which achieves key planning objectives:

• Since the new policyowner is your child who is also the life insured under the policy, for tax purposes, the policy transfer will 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 child.

• Using the contingent owner appointment method means that the policy is transferred automatically to your child 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, 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 investments are transferred to your child 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 to your child, there will be a disposition that may result in capital gains tax being payable. Once your child owns the taxable investments, income and capital gains tax will be payable during their lifetime.

• The income attribution rules may apply to transfers during lifetime to a minor child.[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 child on your death, bypassing your estate.

Using the Generational Legacy Plan

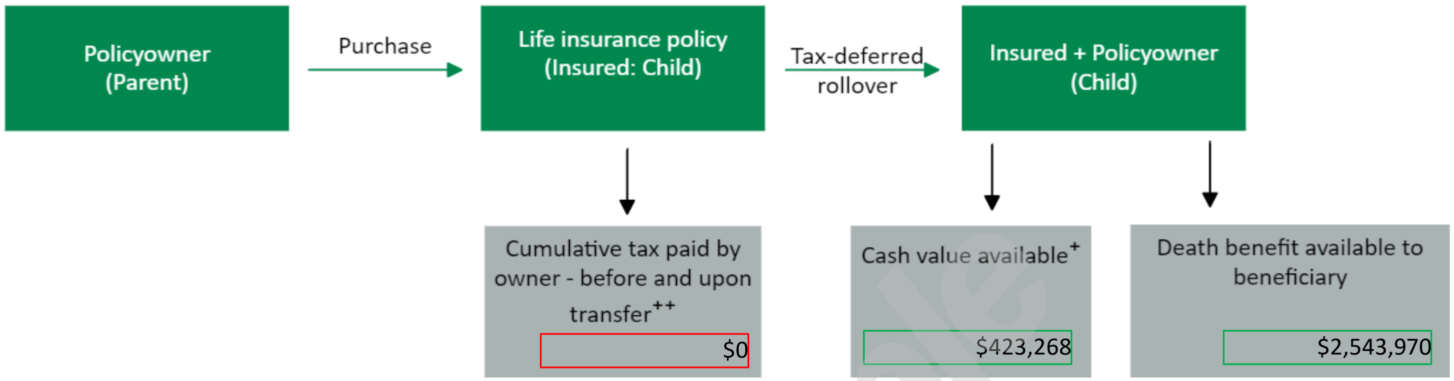
You are the owner of the tax-exempt life insurance policy on your child. The cash values of the life insurance policy will grow, and not be taxable as long as the values remain inside the policy and the policy satisfies the exempt test rules. You have appointed your child as the contingent policyowner in order to secure the benefits of a simplified policy transfer. Since your child 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 child is under 18 and receives such income.[12] If the policy is transferred to the child 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 child 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 child 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 child will generate taxes for your estate, probate charges and other costs of estate administration.

At Age of Analysis, when the parent is 75 years old and the child is 30 years old, wealth is transferred to the child:

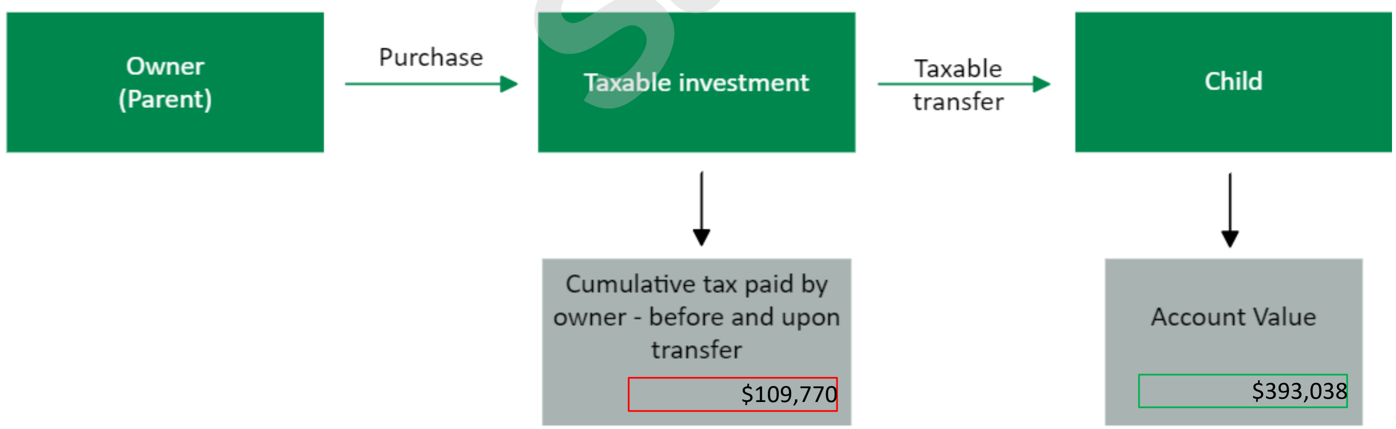
The Generational Legacy Plan - Policy Transfer



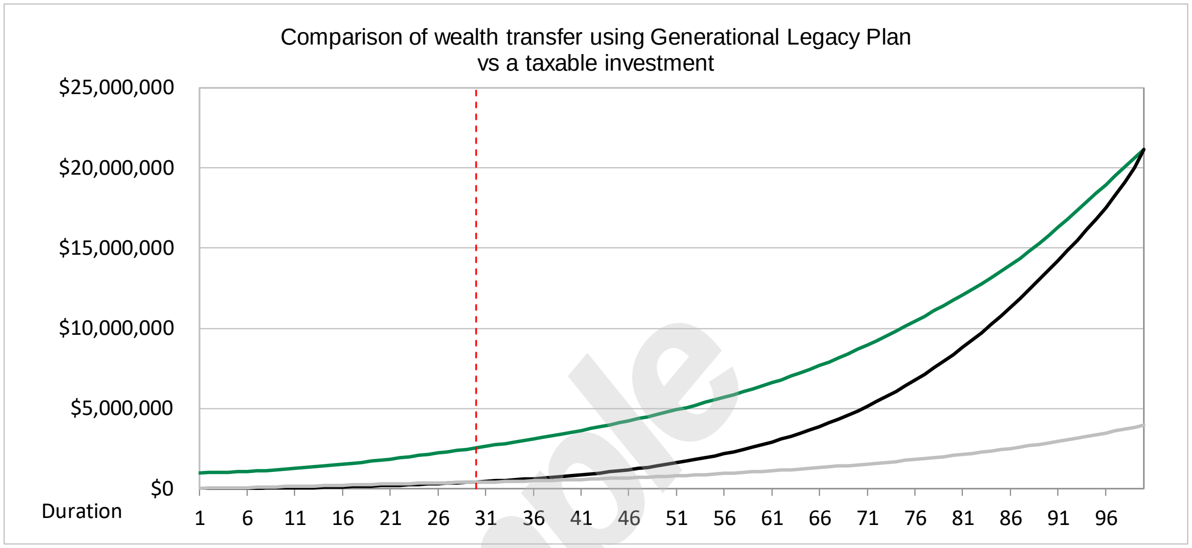
+ Accessing the policy cash values as a policy loan or as a total or partial surrender will generally result in a policy disposition and may generate a policy gain.
++ Assuming the policyowner won't be receiving any dividends from the policy.

In contrast, if you had used an equivalent taxable investment account to build your child'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 child at your age 75 and your child's age 30, the cumulative tax paid before and upon transfer would be $109,770 and the amount received by your child would be $393,038.

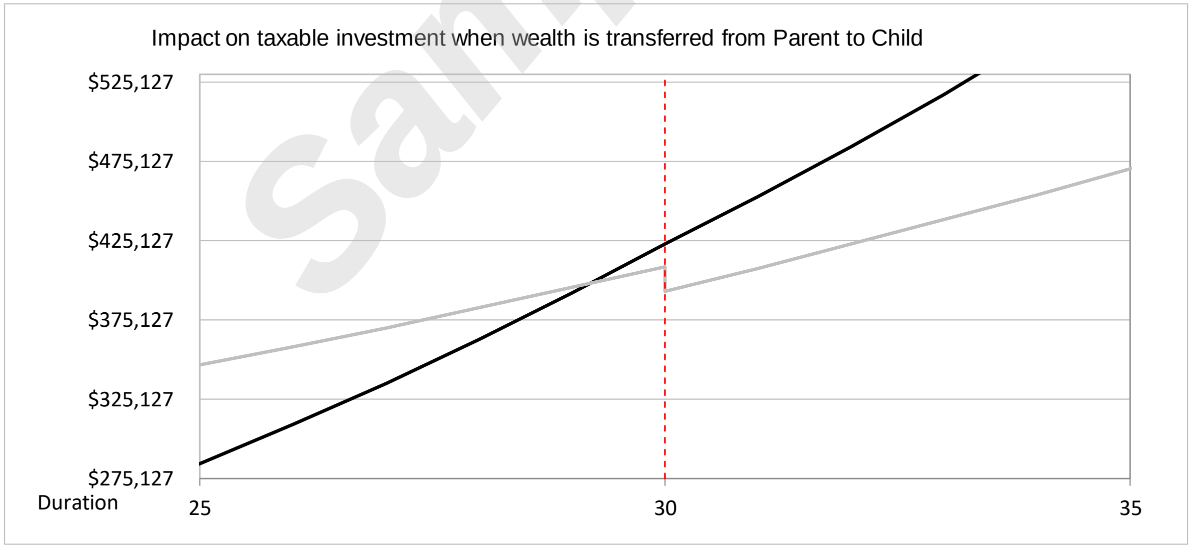
Taxable Investment – Account Transfer



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 child or whose financing comes from a loan to a minor child 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 child 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 parent were to give the investment as a gift or transfer the taxable investment account to their adult child 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 child that you would be designated as irrevocable beneficiary by your child 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
Life • Health • Retirement

			Generational Legacy Plan				Taxable Investment Strategy		
End of Year	Parent's Age (Policyowner)	Child'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	46	1	$10,000	$10,000	$945	$977,005	$10,000	$10,000	$10,374
2	47	2	$10,000	$20,000	$1,983	$990,279	$10,000	$20,000	$21,133
3	48	3	$10,000	$30,000	$3,380	$1,007,332	$10,000	$30,000	$32,286
4	49	4	$10,000	$40,000	$5,110	$1,027,434	$10,000	$40,000	$43,833
5	50	5	$10,000	$50,000	$9,188	$1,050,600	$10,000	$50,000	$55,805
6	51	6	$10,000	$60,000	$13,502	$1,076,853	$10,000	$60,000	$68,186
7	52	7	$10,000	$70,000	$18,735	$1,106,329	$10,000	$70,000	$81,000
8	53	8	$10,000	$80,000	$24,901	$1,138,925	$10,000	$80,000	$94,283
9	54	9	$10,000	$90,000	$31,051	$1,174,637	$10,000	$90,000	$107,983
10	55	10	$10,000	$100,000	$37,892	$1,213,489	$10,000	$100,000	$122,173
11	56	11	$10,000	$110,000	$47,564	$1,255,525	$10,000	$110,000	$136,884
12	57	12	$10,000	$120,000	$58,152	$1,300,614	$10,000	$120,000	$152,012
13	58	13	$10,000	$130,000	$69,713	$1,348,885	$10,000	$130,000	$167,706
14	59	14	$10,000	$140,000	$82,299	$1,400,268	$10,000	$140,000	$183,978
15	60	15	$10,000	$150,000	$95,987	$1,454,909	$10,000	$150,000	$200,664
16	61	16	$10,000	$160,000	$110,810	$1,512,657	$10,000	$160,000	$218,006
17	62	17	$10,000	$170,000	$126,870	$1,573,710	$10,000	$170,000	$235,990
18	63	18	$10,000	$180,000	$144,245	$1,638,037	$10,000	$180,000	$254,382
19	64	19	$10,000	$190,000	$162,976	$1,705,439	$10,000	$190,000	$273,534
20	65	20	$10,000	$200,000	$183,190	$1,776,143	$10,000	$200,000	$293,401
21	66	21	$0	$200,000	$200,972	$1,844,740	$0	$200,000	$303,284
22	67	22	$0	$200,000	$219,917	$1,914,995	$0	$200,000	$313,671
23	68	23	$0	$200,000	$240,120	$1,986,982	$0	$200,000	$324,454
24	69	24	$0	$200,000	$261,643	$2,060,712	$0	$200,000	$335,220
25	70	25	$0	$200,000	$284,569	$2,136,260	$0	$200,000	$346,597
26	71	26	$0	$200,000	$309,006	$2,213,815	$0	$200,000	$358,415
27	72	27	$0	$200,000	$335,012	$2,293,281	$0	$200,000	$370,195
28	73	28	$0	$200,000	$362,682	$2,374,924	$0	$200,000	$382,685
29	74	29	$0	$200,000	$392,059	$2,458,438	$0	$200,000	$395,665
* 30	75	30	$0	$200,000	$423,268	$2,543,970	$0	$200,000	$393,038
31		31	$0	$200,000	$452,820	$2,631,646	$0	$200,000	$407,737
32		32	$0	$200,000	$484,208	$2,721,487	$0	$200,000	$422,890
33		33	$0	$200,000	$517,493	$2,813,340	$0	$200,000	$438,327
34		34	$0	$200,000	$552,845	$2,907,438	$0	$200,000	$454,076

* Policy transferred to child

WEALTH TRANSFER COMPARISON

Desjardins Insurance
Life • Health • Retirement

End of Year	Parent's Age (Policyowner)	Child'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	$200,000	$590,322	$3,003,905	$0	$200,000	$470,363
36		36	$0	$200,000	$630,106	$3,102,763	$0	$200,000	$486,790
37		37	$0	$200,000	$672,315	$3,204,088	$0	$200,000	$503,832
38		38	$0	$200,000	$717,018	$3,307,283	$0	$200,000	$521,492
39		39	$0	$200,000	$764,414	$3,413,092	$0	$200,000	$539,203
40		40	$0	$200,000	$814,630	$3,521,547	$0	$200,000	$557,764
41		41	$0	$200,000	$867,815	$3,632,723	$0	$200,000	$577,025
42		42	$0	$200,000	$924,165	$3,746,655	$0	$200,000	$596,274
43		43	$0	$200,000	$983,859	$3,863,456	$0	$200,000	$616,578
44		44	$0	$200,000	$1,047,093	$3,983,166	$0	$200,000	$637,664
45		45	$0	$200,000	$1,114,033	$4,105,865	$0	$200,000	$658,694
46		46	$0	$200,000	$1,184,892	$4,231,666	$0	$200,000	$680,964
47		47	$0	$200,000	$1,259,926	$4,360,648	$0	$200,000	$704,107
48		48	$0	$200,000	$1,339,433	$4,493,295	$0	$200,000	$727,157
49		49	$0	$200,000	$1,423,664	$4,629,694	$0	$200,000	$751,629
50		50	$0	$200,000	$1,512,929	$4,770,025	$0	$200,000	$777,069
51		51	$0	$200,000	$1,607,342	$4,914,032	$0	$200,000	$802,388
52		52	$0	$200,000	$1,707,331	$5,062,199	$0	$200,000	$829,311
53		53	$0	$200,000	$1,813,183	$5,214,659	$0	$200,000	$857,306
54		54	$0	$200,000	$1,925,036	$5,371,099	$0	$200,000	$885,152
55		55	$0	$200,000	$2,043,177	$5,531,618	$0	$200,000	$914,795
56		56	$0	$200,000	$2,167,867	$5,696,324	$0	$200,000	$945,622
57		57	$0	$200,000	$2,299,614	$5,865,845	$0	$200,000	$976,276
58		58	$0	$200,000	$2,438,682	$6,040,362	$0	$200,000	$1,008,929
59		59	$0	$200,000	$2,585,444	$6,220,086	$0	$200,000	$1,042,892
60		60	$0	$200,000	$2,740,206	$6,405,230	$0	$200,000	$1,076,655
61		61	$0	$200,000	$2,903,857	$6,597,122	$0	$200,000	$1,112,636
62		62	$0	$200,000	$3,076,561	$6,795,551	$0	$200,000	$1,150,062
63		63	$0	$200,000	$3,259,009	$7,001,386	$0	$200,000	$1,187,263
64		64	$0	$200,000	$3,451,936	$7,215,588	$0	$200,000	$1,226,920
65		65	$0	$200,000	$3,655,456	$7,437,963	$0	$200,000	$1,268,171
66		66	$0	$200,000	$3,870,352	$7,669,495	$0	$200,000	$1,309,170
67		67	$0	$200,000	$4,096,682	$7,909,259	$0	$200,000	$1,352,884
68		68	$0	$200,000	$4,335,252	$8,158,260	$0	$200,000	$1,398,356

WEALTH TRANSFER COMPARISON

End of Year	Parent's Age (Policyowner)	Child's Age (Life Insured)	Generational Legacy Plan Annual Premiums Paid	Cumulative Premiums Paid	Total Cash Value	Total Death Benefit	Taxable Investment Strategy Total Annual Deposits	Cumulative Deposits	Portfolio Value (EoY)
69		69	$0	$200,000	$4,586,332	$8,416,153	$0	$200,000	$1,443,549
70		70	$0	$200,000	$4,850,231	$8,682,501	$0	$200,000	$1,491,738
71		71	$0	$200,000	$5,130,246	$8,956,800	$0	$200,000	$1,541,867
72		72	$0	$200,000	$5,424,733	$9,240,046	$0	$200,000	$1,591,687
73		73	$0	$200,000	$5,733,376	$9,530,855	$0	$200,000	$1,644,814
74		74	$0	$200,000	$6,056,968	$9,829,361	$0	$200,000	$1,700,080
75		75	$0	$200,000	$6,395,812	$10,134,796	$0	$200,000	$1,755,003
76		76	$0	$200,000	$6,750,885	$10,447,177	$0	$200,000	$1,813,575
77		77	$0	$200,000	$7,122,465	$10,765,602	$0	$200,000	$1,874,507
78		78	$0	$200,000	$7,510,825	$11,089,014	$0	$200,000	$1,935,059
79		79	$0	$200,000	$7,917,047	$11,417,236	$0	$200,000	$1,999,637
80		80	$0	$200,000	$8,341,559	$11,749,038	$0	$200,000	$2,066,817
81		81	$0	$200,000	$8,784,635	$12,083,049	$0	$200,000	$2,133,577
82		82	$0	$200,000	$9,246,577	$12,426,118	$0	$200,000	$2,204,777
83		83	$0	$200,000	$9,727,467	$12,783,439	$0	$200,000	$2,278,846
84		84	$0	$200,000	$10,226,882	$13,154,450	$0	$200,000	$2,352,452
85		85	$0	$200,000	$10,745,507	$13,542,341	$0	$200,000	$2,430,954
86		86	$0	$200,000	$11,283,580	$13,949,300	$0	$200,000	$2,512,619
87		87	$0	$200,000	$11,840,067	$14,375,095	$0	$200,000	$2,593,774
88		88	$0	$200,000	$12,416,506	$14,822,054	$0	$200,000	$2,680,328
89		89	$0	$200,000	$13,012,414	$15,289,938	$0	$200,000	$2,770,369
90		90	$0	$200,000	$13,628,731	$15,779,870	$0	$200,000	$2,859,847
91		91	$0	$200,000	$14,233,766	$16,293,006	$0	$200,000	$2,955,279
92		92	$0	$200,000	$14,853,387	$16,819,305	$0	$200,000	$3,054,556
93		93	$0	$200,000	$15,488,372	$17,349,004	$0	$200,000	$3,153,212
94		94	$0	$200,000	$16,142,189	$17,883,022	$0	$200,000	$3,258,432
95		95	$0	$200,000	$16,818,749	$18,420,822	$0	$200,000	$3,367,892
96		96	$0	$200,000	$17,526,087	$18,961,755	$0	$200,000	$3,476,667
97		97	$0	$200,000	$18,278,734	$19,506,962	$0	$200,000	$3,592,680
98		98	$0	$200,000	$19,097,509	$20,054,035	$0	$200,000	$3,713,368
99		99	$0	$200,000	$20,020,908	$20,604,109	$0	$200,000	$3,833,301
100		100	$0	$200,000	$21,156,491	$21,156,491	$0	$200,000	$3,961,214

GENERATIONAL LEGACY PLAN DETAILS

Desjardins Insurance
Life • Health • Retirement

			Generational Legacy Plan						
End of Year	Parent's Age (Policyowner)	Child'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
1	46	1	$10,000	$10,000	$0	$945	$945	$945	$977,005
2	47	2	$10,000	$20,000	$0	$1,983	$1,983	$1,008	$990,279
3	48	3	$10,000	$30,000	$0	$3,380	$3,380	$1,336	$1,007,332
4	49	4	$10,000	$40,000	$0	$5,110	$5,110	$1,624	$1,027,434
5	50	5	$10,000	$50,000	$1,986	$7,201	$9,188	$1,930	$1,050,600
6	51	6	$10,000	$60,000	$3,818	$9,684	$13,502	$2,256	$1,076,853
7	52	7	$10,000	$70,000	$6,132	$12,603	$18,735	$2,613	$1,106,329
8	53	8	$10,000	$80,000	$8,919	$15,982	$24,901	$2,981	$1,138,925
9	54	9	$10,000	$90,000	$11,194	$19,856	$31,051	$3,369	$1,174,637
10	55	10	$10,000	$100,000	$13,624	$24,268	$37,892	$3,782	$1,213,489
11	56	11	$10,000	$110,000	$18,310	$29,254	$47,564	$4,221	$1,255,525
12	57	12	$10,000	$120,000	$23,304	$34,848	$58,152	$4,670	$1,300,614
13	58	13	$10,000	$130,000	$28,607	$41,106	$69,713	$5,158	$1,348,885
14	59	14	$10,000	$140,000	$34,238	$48,061	$82,299	$5,663	$1,400,268
15	60	15	$10,000	$150,000	$40,206	$55,781	$95,987	$6,211	$1,454,909
16	61	16	$10,000	$160,000	$46,512	$64,298	$110,810	$6,770	$1,512,657
17	62	17	$10,000	$170,000	$53,184	$73,686	$126,870	$7,381	$1,573,710
18	63	18	$10,000	$180,000	$60,242	$84,003	$144,245	$8,019	$1,638,037
19	64	19	$10,000	$190,000	$67,695	$95,281	$162,976	$8,664	$1,705,439
20	65	20	$10,000	$200,000	$75,573	$107,617	$183,190	$9,371	$1,776,143
21	66	21	$0	$200,000	$80,644	$120,328	$200,972	$9,374	$1,844,740
22	67	22	$0	$200,000	$85,966	$133,951	$219,917	$9,898	$1,914,995
23	68	23	$0	$200,000	$91,568	$148,552	$240,120	$10,455	$1,986,982
24	69	24	$0	$200,000	$97,459	$164,184	$261,643	$11,040	$2,060,712
25	70	25	$0	$200,000	$103,659	$180,910	$284,569	$11,661	$2,136,260
26	71	26	$0	$200,000	$110,177	$198,829	$309,006	$12,340	$2,213,815
27	72	27	$0	$200,000	$117,013	$217,999	$335,012	$13,034	$2,293,281
28	73	28	$0	$200,000	$124,167	$238,514	$362,682	$13,803	$2,374,924
29	74	29	$0	$200,000	$131,640	$260,419	$392,059	$14,555	$2,458,438
* 30	75	30	$0	$200,000	$139,459	$283,809	$423,268	$15,366	$2,543,970
31		31	$0	$200,000	$144,039	$308,781	$452,820	$16,236	$2,631,646
32		32	$0	$200,000	$148,773	$335,435	$484,208	$17,149	$2,721,487
33		33	$0	$200,000	$153,671	$363,822	$517,493	$18,072	$2,813,340
34		34	$0	$200,000	$158,733	$394,112	$552,845	$19,084	$2,907,438

* Policy transferred to child

GENERATIONAL LEGACY PLAN DETAILS

Desjardins Insurance
Life • Health • Retirement

End of Year	Parent's Age (Policyowner)	Child'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	$200,000	$163,959	$426,363	$590,322	$20,164	$3,003,905
36		36	$0	$200,000	$169,349	$460,758	$630,106	$21,299	$3,102,763
37		37	$0	$200,000	$174,922	$497,394	$672,315	$22,500	$3,204,088
38		38	$0	$200,000	$180,659	$536,359	$717,018	$23,622	$3,307,283
39		39	$0	$200,000	$186,569	$577,845	$764,414	$24,967	$3,413,092
40		40	$0	$200,000	$192,653	$621,977	$814,630	$26,377	$3,521,547
41		41	$0	$200,000	$198,891	$668,923	$867,815	$27,868	$3,632,723
42		42	$0	$200,000	$205,313	$718,852	$924,165	$29,434	$3,746,655
43		43	$0	$200,000	$211,927	$771,932	$983,859	$31,098	$3,863,456
44		44	$0	$200,000	$218,744	$828,349	$1,047,093	$32,846	$3,983,166
45		45	$0	$200,000	$225,753	$888,280	$1,114,033	$34,692	$4,105,865
46		46	$0	$200,000	$232,975	$951,916	$1,184,892	$36,650	$4,231,666
47		47	$0	$200,000	$240,409	$1,019,517	$1,259,926	$38,716	$4,360,648
48		48	$0	$200,000	$248,055	$1,091,378	$1,339,433	$41,021	$4,493,295
49		49	$0	$200,000	$255,942	$1,167,722	$1,423,664	$43,453	$4,629,694
50		50	$0	$200,000	$264,041	$1,248,888	$1,512,929	$46,050	$4,770,025
51		51	$0	$200,000	$272,371	$1,334,971	$1,607,342	$48,671	$4,914,032
52		52	$0	$200,000	$280,933	$1,426,397	$1,707,331	$51,573	$5,062,199
53		53	$0	$200,000	$289,727	$1,523,456	$1,813,183	$54,645	$5,214,659
54		54	$0	$200,000	$298,751	$1,626,285	$1,925,036	$57,731	$5,371,099
55		55	$0	$200,000	$308,008	$1,735,169	$2,043,177	$60,981	$5,531,618
56		56	$0	$200,000	$317,505	$1,850,363	$2,167,867	$64,403	$5,696,324
57		57	$0	$200,000	$327,233	$1,972,380	$2,299,614	$68,213	$5,865,845
58		58	$0	$200,000	$337,193	$2,101,488	$2,438,682	$72,249	$6,040,362
59		59	$0	$200,000	$347,375	$2,238,069	$2,585,444	$76,530	$6,220,086
60		60	$0	$200,000	$357,788	$2,382,418	$2,740,206	$81,067	$6,405,230
61		61	$0	$200,000	$368,414	$2,535,443	$2,903,857	$86,373	$6,597,122
62		62	$0	$200,000	$379,261	$2,697,300	$3,076,561	$91,783	$6,795,551
63		63	$0	$200,000	$390,310	$2,868,699	$3,259,009	$97,807	$7,001,386
64		64	$0	$200,000	$401,562	$3,050,374	$3,451,936	$104,520	$7,215,588
65		65	$0	$200,000	$412,997	$3,242,459	$3,655,456	$111,379	$7,437,963
66		66	$0	$200,000	$424,625	$3,445,727	$3,870,352	$118,980	$7,669,495
67		67	$0	$200,000	$436,417	$3,660,265	$4,096,682	$126,363	$7,909,259
68		68	$0	$200,000	$448,363	$3,886,889	$4,335,252	$134,532	$8,158,260

GENERATIONAL LEGACY PLAN DETAILS

Desjardins Insurance
Life • Health • Retirement

Generational Legacy Plan

End of Year	Parent's Age (Policyowner)	Child'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	$200,000	$460,474	$4,125,859	$4,586,332	$142,785	$8,416,153
70		70	$0	$200,000	$472,709	$4,377,522	$4,850,231	$151,062	$8,682,501
71		71	$0	$200,000	$488,213	$4,642,033	$5,130,246	$159,310	$8,956,800
72		72	$0	$200,000	$503,987	$4,920,746	$5,424,733	$168,415	$9,240,046
73		73	$0	$200,000	$520,041	$5,213,335	$5,733,376	$176,975	$9,530,855
74		74	$0	$200,000	$536,355	$5,520,614	$6,056,968	$185,889	$9,829,361
75		75	$0	$200,000	$552,939	$5,842,874	$6,395,812	$194,601	$10,134,796
76		76	$0	$200,000	$569,773	$6,181,111	$6,750,885	$203,613	$10,447,177
77		77	$0	$200,000	$586,878	$6,535,587	$7,122,465	$212,326	$10,765,602
78		78	$0	$200,000	$604,272	$6,906,553	$7,510,825	$220,612	$11,089,014
79		79	$0	$200,000	$621,964	$7,295,083	$7,917,047	$229,063	$11,417,236
80		80	$0	$200,000	$639,985	$7,701,574	$8,341,559	$236,943	$11,749,038
81		81	$0	$200,000	$658,410	$8,126,224	$8,784,635	$244,112	$12,083,049
82		82	$0	$200,000	$677,289	$8,569,288	$9,246,577	$256,489	$12,426,118
83		83	$0	$200,000	$696,727	$9,030,740	$9,727,467	$273,019	$12,783,439
84		84	$0	$200,000	$716,888	$9,509,994	$10,226,882	$289,436	$13,154,450
85		85	$0	$200,000	$737,946	$10,007,562	$10,745,507	$308,618	$13,542,341
86		86	$0	$200,000	$760,180	$10,523,400	$11,283,580	$329,808	$13,949,300
87		87	$0	$200,000	$783,976	$11,056,091	$11,840,067	$351,029	$14,375,095
88		88	$0	$200,000	$809,845	$11,606,661	$12,416,506	$374,351	$14,822,054
89		89	$0	$200,000	$838,529	$12,173,885	$13,012,414	$397,604	$15,289,938
90		90	$0	$200,000	$871,089	$12,757,641	$13,628,731	$421,875	$15,779,870
91		91	$0	$200,000	$876,074	$13,357,692	$14,233,766	$447,152	$16,293,006
92		92	$0	$200,000	$881,059	$13,972,328	$14,853,387	$463,800	$16,819,305
93		93	$0	$200,000	$886,053	$14,602,318	$15,488,372	$472,074	$17,349,004
94		94	$0	$200,000	$891,038	$15,251,151	$16,142,189	$481,380	$17,883,022
95		95	$0	$200,000	$896,023	$15,922,726	$16,818,749	$490,544	$18,420,822
96		96	$0	$200,000	$901,008	$16,625,079	$17,526,087	$499,682	$18,961,755
97		97	$0	$200,000	$906,002	$17,372,732	$18,278,734	$510,804	$19,506,962
98		98	$0	$200,000	$910,987	$18,186,522	$19,097,509	$521,185	$20,054,035
99		99	$0	$200,000	$915,972	$19,104,936	$20,020,908	$535,090	$20,604,109
100		100	$0	$200,000	$964,181	$20,192,310	$21,156,491	$552,383	$21,156,491

TAXABLE INVESTMENT DETAILS (FOR PARENT)

Desjardins Insurance
Life • Health • Retirement

				Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Parent's Age (Policyowner)	Child'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	46	1	$10,000	$4,000	$123	$66	$6,000	$124	$49	$25	$7	$223	$60	$181	$181	$10,314
2	47	2	$10,000	$8,057	$249	$133	$12,317	$255	$100	$73	$20	$659	$176	$429	$551	$20,957
3	48	3	$10,000	$12,173	$376	$201	$18,960	$392	$154	$164	$44	$1,261	$338	$737	$1,111	$31,948
4	49	4	$10,000	$16,916	$522	$280	$25,369	$524	$206	$230	$62	$2,074	$555	$1,103	$1,876	$43,278
5	50	5	$10,000	$21,159	$653	$350	$32,674	$675	$266	$342	$92	$3,082	$825	$1,532	$2,853	$54,980
6	51	6	$10,000	$25,463	$786	$421	$40,343	$834	$328	$586	$157	$4,128	$1,105	$2,011	$4,039	$67,082
7	52	7	$10,000	$31,286	$966	$517	$46,900	$969	$381	$604	$162	$5,433	$1,454	$2,514	$5,448	$79,546
8	53	8	$10,000	$35,735	$1,103	$591	$55,265	$1,142	$449	$772	$207	$6,945	$1,859	$3,105	$7,100	$92,424
9	54	9	$10,000	$40,248	$1,243	$665	$64,036	$1,323	$521	$1,219	$326	$8,325	$2,228	$3,741	$8,981	$105,754
10	55	10	$10,000	$47,220	$1,458	$780	$70,763	$1,462	$575	$1,118	$299	$10,063	$2,693	$4,348	$11,101	$119,480
11	56	11	$10,000	$51,897	$1,603	$858	$80,275	$1,659	$653	$1,338	$358	$12,043	$3,223	$5,092	$13,500	$133,661
12	57	12	$10,000	$56,642	$1,749	$936	$90,242	$1,865	$734	$2,031	$544	$13,686	$3,663	$5,877	$16,153	$148,349
13	58	13	$10,000	$64,852	$2,002	$1,072	$97,160	$2,008	$790	$1,758	$471	$15,822	$4,235	$6,567	$19,057	$163,471
14	59	14	$10,000	$69,782	$2,155	$1,153	$107,924	$2,230	$877	$2,028	$543	$18,255	$4,886	$7,460	$22,282	$179,092
15	60	15	$10,000	$74,783	$2,309	$1,236	$119,195	$2,463	$969	$3,005	$804	$20,115	$5,384	$8,393	$25,790	$195,280
16	61	16	$10,000	$84,337	$2,604	$1,394	$126,327	$2,611	$1,027	$2,515	$673	$22,637	$6,059	$9,153	$29,559	$211,947
17	62	17	$10,000	$89,547	$2,765	$1,480	$138,459	$2,861	$1,126	$2,836	$759	$25,524	$6,832	$10,196	$33,696	$229,159
18	63	18	$10,000	$94,832	$2,929	$1,568	$151,159	$3,124	$1,229	$4,134	$1,106	$27,573	$7,380	$11,283	$38,148	$247,002
19	64	19	$10,000	$105,852	$3,268	$1,749	$158,530	$3,276	$1,289	$3,387	$907	$30,482	$8,159	$12,103	$42,871	$265,376
20	65	20	$10,000	$111,371	$3,439	$1,841	$172,164	$3,558	$1,400	$3,760	$1,006	$33,838	$9,057	$13,304	$48,017	$284,344
21	66	21	$0	$112,969	$3,489	$1,868	$180,432	$3,729	$1,467	$5,417	$1,450	$35,817	$9,586	$14,371	$53,331	$293,698
22	67	22	$0	$121,447	$3,750	$2,007	$181,837	$3,758	$1,478	$4,299	$1,151	$38,690	$10,355	$14,991	$58,736	$303,316
23	68	23	$0	$123,189	$3,804	$2,036	$190,482	$3,937	$1,549	$4,656	$1,246	$41,907	$11,216	$16,047	$64,428	$313,238
24	69	24	$0	$124,957	$3,859	$2,066	$199,497	$4,123	$1,622	$6,593	$1,765	$43,514	$11,647	$17,099	$70,311	$323,574
25	70	25	$0	$134,251	$4,145	$2,219	$200,969	$4,153	$1,634	$5,140	$1,376	$46,259	$12,381	$17,610	$76,274	$334,216
26	71	26	$0	$136,178	$4,205	$2,251	$210,419	$4,349	$1,711	$5,496	$1,471	$49,461	$13,238	$18,671	$82,563	$345,177
27	72	27	$0	$138,132	$4,266	$2,284	$220,284	$4,553	$1,791	$7,690	$2,058	$50,843	$13,608	$19,741	$89,066	$356,587
28	73	28	$0	$148,268	$4,578	$2,450	$221,927	$4,586	$1,804	$5,953	$1,593	$53,573	$14,339	$20,187	$95,644	$368,346
29	74	29	$0	$150,395	$4,644	$2,486	$232,289	$4,801	$1,889	$6,317	$1,691	$56,857	$15,218	$21,283	$102,589	$380,447
* 30	75	30	$0	$152,553	$4,711	$2,522	$243,112	$5,024	$1,977	$8,777	$2,349	$58,103	$15,551	$22,399	$109,770	$393,038
31		31	$0	$163,652	$5,053	$2,705	$244,938	$5,062	$1,991	$6,767	$1,811	$60,902	$16,300	$22,808	$117,026	$406,021
32		32	$0	$166,000	$5,126	$2,744	$256,321	$5,297	$2,084	$7,150	$1,914	$64,347	$17,222	$23,964	$124,690	$419,375
33		33	$0	$168,382	$5,200	$2,784	$268,216	$5,543	$2,181	$9,889	$2,647	$65,524	$17,538	$25,149	$132,616	$433,265
34		34	$0	$180,564	$5,575	$2,984	$270,238	$5,585	$2,197	$7,607	$2,036	$68,459	$18,323	$25,540	$140,619	$447,591

* Policy transferred to child

TAXABLE INVESTMENT DETAILS (FOR PARENT)

Desjardins Insurance
Life • Health • Retirement

				Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Parent's Age (Policyowner)	Child'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	$183,155	$5,656	$3,027	$282,760	$5,844	$2,299	$8,015	$2,145	$72,132	$19,306	$26,778	$149,074	$462,324
36		36	$0	$185,783	$5,738	$3,071	$295,847	$6,114	$2,405	$11,055	$2,959	$73,290	$19,616	$28,051	$157,819	$477,643
37		37	$0	$199,175	$6,150	$3,292	$298,084	$6,160	$2,424	$8,491	$2,273	$76,419	$20,453	$28,441	$166,644	$493,449
38		38	$0	$202,033	$6,239	$3,340	$311,869	$6,445	$2,536	$8,931	$2,390	$80,378	$21,513	$29,779	$175,970	$509,698
39		39	$0	$204,932	$6,329	$3,388	$326,279	$6,743	$2,653	$12,297	$3,291	$81,554	$21,828	$31,160	$185,616	$526,593
40		40	$0	$219,670	$6,782	$3,631	$328,751	$6,794	$2,673	$9,436	$2,526	$84,927	$22,731	$31,560	$195,348	$544,026
41		41	$0	$222,822	$6,881	$3,683	$343,935	$7,108	$2,796	$9,914	$2,654	$89,229	$23,882	$33,015	$205,632	$561,946
42		42	$0	$226,019	$6,980	$3,736	$359,809	$7,436	$2,925	$13,635	$3,649	$90,454	$24,210	$34,521	$216,272	$580,577
43		43	$0	$242,249	$7,479	$4,004	$362,538	$7,492	$2,948	$10,458	$2,799	$94,118	$25,191	$34,941	$227,003	$599,802
44		44	$0	$245,725	$7,588	$4,062	$379,269	$7,838	$3,084	$10,979	$2,939	$98,815	$26,448	$36,532	$238,344	$619,564
45		45	$0	$249,251	$7,698	$4,121	$396,761	$8,200	$3,226	$15,089	$4,039	$100,115	$26,796	$38,181	$250,076	$640,108
46		46	$0	$267,131	$8,248	$4,415	$399,772	$8,262	$3,250	$11,568	$3,096	$104,115	$27,866	$38,628	$261,909	$661,309
47		47	$0	$270,964	$8,367	$4,479	$418,212	$8,643	$3,400	$12,140	$3,249	$109,261	$29,244	$40,372	$274,414	$683,099
48		48	$0	$274,852	$8,488	$4,544	$437,491	$9,041	$3,557	$16,676	$4,463	$110,657	$29,617	$42,181	$287,352	$705,752
49		49	$0	$294,556	$9,094	$4,868	$440,813	$9,110	$3,584	$12,782	$3,421	$115,040	$30,791	$42,664	$300,398	$729,130
50		50	$0	$298,782	$9,226	$4,939	$461,138	$9,530	$3,749	$13,410	$3,589	$120,691	$32,303	$44,580	$314,188	$753,157
51		51	$0	$303,070	$9,360	$5,010	$482,391	$9,969	$3,922	$18,415	$4,929	$122,204	$32,708	$46,569	$328,454	$778,134
52		52	$0	$324,788	$10,028	$5,368	$486,054	$10,045	$3,952	$14,113	$3,777	$127,017	$33,996	$47,093	$342,839	$803,913
53		53	$0	$329,448	$10,173	$5,446	$508,461	$10,508	$4,134	$14,803	$3,962	$133,230	$35,659	$49,201	$358,043	$830,406
54		54	$0	$334,175	$10,320	$5,524	$531,889	$10,992	$4,324	$20,324	$5,440	$134,879	$36,100	$51,389	$373,774	$857,945
55		55	$0	$358,116	$11,057	$5,919	$535,930	$11,076	$4,357	$15,575	$4,169	$140,171	$37,517	$51,961	$389,634	$886,369

TAXABLE INVESTMENT DETAILS (FOR CHILD)

Desjardins Insurance
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End of Year	Child's Age (Life Insured)	Total Annual Deposits	Interest & Fixed Income: Values, Beginning of Year	Annual Growth	Tax on Annual Growth	Dividends and Capital Gains: 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	Total: Tax on Total Realized Growth	Cumulative Tax	Net Value on Transfer (EoY)
31	31	$393,038	$157,215	$4,854	$2,598	$235,823	$4,874	$1,917	$975	$261	$8,773	$2,348	$7,125	$7,125	$405,389
32	32	$0	$159,471	$4,924	$2,636	$248,266	$5,131	$2,018	$1,903	$509	$17,131	$4,585	$9,749	$14,526	$418,305
33	33	$0	$161,759	$4,996	$2,674	$261,130	$5,397	$2,123	$3,536	$946	$24,094	$6,449	$12,192	$22,133	$431,878
34	34	$0	$175,407	$5,416	$2,899	$262,919	$5,434	$2,138	$3,476	$930	$31,286	$8,374	$14,341	$30,025	$445,702
35	35	$0	$177,924	$5,494	$2,941	$276,152	$5,707	$2,245	$4,270	$1,143	$38,431	$10,286	$16,615	$38,266	$460,077
36	36	$0	$180,477	$5,574	$2,984	$289,886	$5,991	$2,357	$6,608	$1,769	$43,608	$11,672	$18,781	$46,761	$475,118
37	37	$0	$194,878	$6,017	$3,221	$291,912	$6,033	$2,373	$5,525	$1,479	$49,729	$13,310	$20,383	$55,472	$490,522
38	38	$0	$197,674	$6,104	$3,267	$306,159	$6,327	$2,489	$6,238	$1,670	$56,145	$15,027	$22,454	$64,616	$506,465
39	39	$0	$200,510	$6,192	$3,315	$320,982	$6,634	$2,610	$9,134	$2,445	$60,144	$16,097	$24,466	$74,055	$523,105
40	40	$0	$215,908	$6,666	$3,568	$323,295	$6,681	$2,628	$7,292	$1,952	$65,628	$17,565	$25,714	$83,671	$540,199
41	41	$0	$219,005	$6,763	$3,620	$338,759	$7,001	$2,754	$7,963	$2,131	$71,667	$19,182	$27,687	$93,793	$557,843
42	42	$0	$222,148	$6,861	$3,672	$354,877	$7,334	$2,885	$11,354	$3,039	$74,885	$20,043	$29,640	$104,251	$576,231
43	43	$0	$238,791	$7,373	$3,947	$357,483	$7,388	$2,906	$8,893	$2,380	$80,040	$21,423	$30,656	$114,864	$595,155
44	44	$0	$242,217	$7,479	$4,004	$374,361	$7,737	$3,044	$9,551	$2,556	$85,962	$23,008	$32,612	$126,053	$614,656
45	45	$0	$245,693	$7,588	$4,062	$391,971	$8,101	$3,187	$13,420	$3,592	$88,674	$23,733	$34,574	$137,620	$634,961
46	46	$0	$263,809	$8,145	$4,360	$394,885	$8,161	$3,211	$10,414	$2,787	$93,724	$25,085	$35,443	$149,329	$655,879
47	47	$0	$267,594	$8,263	$4,423	$413,370	$8,543	$3,361	$11,081	$2,966	$99,729	$26,693	$37,442	$161,686	$677,414
48	48	$0	$271,434	$8,383	$4,487	$432,672	$8,942	$3,518	$15,434	$4,131	$102,127	$27,334	$39,470	$174,464	$699,823
49	49	$0	$291,243	$8,992	$4,813	$435,914	$9,009	$3,544	$11,916	$3,189	$107,245	$28,704	$40,251	$187,381	$722,925
50	50	$0	$295,422	$9,122	$4,883	$456,207	$9,428	$3,709	$12,610	$3,375	$113,492	$30,376	$42,343	$201,020	$746,693
51	51	$0	$299,661	$9,254	$4,954	$477,408	$9,866	$3,881	$17,470	$4,676	$115,715	$30,971	$44,482	$215,126	$771,417
52	52	$0	$321,385	$9,923	$5,312	$481,003	$9,941	$3,911	$13,449	$3,600	$121,037	$32,396	$45,217	$229,373	$796,915
53	53	$0	$325,996	$10,066	$5,389	$503,315	$10,402	$4,092	$14,184	$3,796	$127,657	$34,167	$47,444	$244,422	$823,138
54	54	$0	$330,674	$10,212	$5,467	$526,632	$10,884	$4,282	$19,584	$5,242	$129,808	$34,743	$49,733	$259,987	$850,409
55	55	$0	$354,542	$10,946	$5,860	$530,610	$10,966	$4,314	$15,050	$4,028	$135,448	$36,253	$50,454	$275,699	$878,542
56	56	$0	$359,629	$11,105	$5,945	$555,166	$11,473	$4,514	$15,839	$4,239	$142,555	$38,155	$52,853	$292,298	$907,468
57	57	$0	$364,789	$11,266	$6,031	$580,833	$12,004	$4,722	$21,823	$5,841	$144,714	$38,733	$55,326	$309,470	$937,544
58	58	$0	$391,046	$12,074	$6,463	$585,231	$12,095	$4,758	$16,752	$4,484	$150,768	$40,353	$56,058	$326,795	$968,576
59	59	$0	$396,656	$12,248	$6,557	$612,273	$12,654	$4,978	$17,608	$4,713	$158,468	$42,414	$58,661	$345,103	$1,000,478
60	60	$0	$402,348	$12,426	$6,652	$640,543	$13,238	$5,208	$24,226	$6,484	$160,695	$43,010	$61,353	$364,043	$1,033,645
61	61	$0	$431,256	$13,315	$7,128	$645,399	$13,338	$5,247	$18,584	$4,974	$167,254	$44,765	$62,114	$383,147	$1,067,870
62	62	$0	$437,443	$13,508	$7,231	$675,193	$13,954	$5,489	$19,516	$5,224	$175,646	$47,012	$64,955	$403,337	$1,103,050
63	63	$0	$443,720	$13,703	$7,335	$706,342	$14,598	$5,743	$26,828	$7,180	$177,992	$47,640	$67,898	$424,223	$1,139,624
64	64	$0	$475,563	$14,683	$7,860	$711,701	$14,708	$5,786	$20,571	$5,506	$185,140	$49,553	$68,705	$445,288	$1,177,367

TAXABLE INVESTMENT DETAILS (FOR CHILD)

Desjardins Insurance
Life • Health • Retirement

			Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Child'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)
65	65	$0	$482,386	$14,896	$7,974	$744,534	$15,387	$6,053	$21,591	$5,779	$194,323	$52,010	$71,816	$467,552	$1,216,160
66	66	$0	$489,308	$15,111	$8,089	$778,863	$16,097	$6,332	$29,664	$7,939	$196,832	$52,682	$75,043	$490,585	$1,256,488
67	67	$0	$524,395	$16,191	$8,667	$784,776	$16,219	$6,380	$22,739	$6,086	$204,653	$54,775	$75,909	$513,811	$1,298,108
68	68	$0	$531,919	$16,425	$8,792	$820,965	$16,967	$6,675	$23,859	$6,386	$214,728	$57,472	$79,325	$538,361	$1,340,884
69	69	$0	$539,551	$16,663	$8,920	$858,805	$17,749	$6,982	$32,766	$8,770	$217,439	$58,197	$82,869	$563,758	$1,385,351
70	70	$0	$578,222	$17,853	$9,557	$865,327	$17,883	$7,035	$25,113	$6,722	$226,020	$60,494	$83,808	$589,368	$1,431,244
71	71	$0	$586,518	$18,111	$9,695	$905,220	$18,708	$7,360	$26,344	$7,051	$237,092	$63,458	$87,563	$616,437	$1,478,410
72	72	$0	$594,934	$18,373	$9,835	$946,933	$19,570	$7,699	$36,170	$9,681	$240,041	$64,247	$91,462	$644,442	$1,527,440
73	73	$0	$637,560	$19,685	$10,537	$954,126	$19,719	$7,757	$27,719	$7,419	$249,471	$66,771	$92,485	$672,679	$1,578,043
74	74	$0	$646,708	$19,970	$10,690	$998,106	$20,628	$8,115	$29,073	$7,781	$261,654	$70,032	$96,618	$702,526	$1,630,048
75	75	$0	$655,988	$20,259	$10,845	$1,044,092	$21,578	$8,489	$39,911	$10,682	$264,877	$70,894	$100,910	$733,404	$1,684,109
76	76	$0	$702,978	$21,704	$11,618	$1,052,025	$21,742	$8,553	$30,584	$8,186	$275,253	$73,671	$102,029	$764,538	$1,739,904
77	77	$0	$713,064	$22,019	$11,787	$1,100,511	$22,744	$8,947	$32,074	$8,585	$288,667	$77,262	$106,580	$797,447	$1,797,246
78	78	$0	$723,297	$22,338	$11,957	$1,151,211	$23,792	$9,360	$44,027	$11,784	$292,200	$78,207	$111,308	$831,494	$1,856,852
79	79	$0	$775,102	$23,931	$12,810	$1,159,958	$23,972	$9,431	$33,736	$9,029	$303,624	$81,265	$112,536	$865,822	$1,918,372
80	80	$0	$786,223	$24,278	$12,996	$1,213,415	$25,077	$9,865	$35,378	$9,469	$318,401	$85,220	$117,550	$902,108	$1,981,597
81	81	$0	$797,504	$24,629	$13,184	$1,269,312	$26,232	$10,320	$48,559	$12,997	$322,282	$86,259	$122,760	$939,647	$2,047,318
82	82	$0	$854,620	$26,386	$14,125	$1,278,957	$26,432	$10,398	$37,208	$9,959	$334,868	$89,627	$124,109	$977,497	$2,115,150
83	83	$0	$866,881	$26,768	$14,329	$1,337,896	$27,650	$10,877	$39,017	$10,443	$351,151	$93,985	$129,635	$1,017,505	$2,184,860
84	84	$0	$879,321	$27,156	$14,537	$1,399,525	$28,924	$11,379	$53,552	$14,333	$355,419	$95,128	$135,376	$1,058,896	$2,257,324
85	85	$0	$942,292	$29,093	$15,574	$1,410,160	$29,143	$11,465	$41,032	$10,982	$369,288	$98,840	$136,861	$1,100,628	$2,332,114
86	86	$0	$955,811	$29,515	$15,799	$1,475,143	$30,486	$11,993	$43,026	$11,516	$387,234	$103,643	$142,952	$1,144,740	$2,408,976
87	87	$0	$969,527	$29,942	$16,028	$1,543,093	$31,891	$12,546	$59,053	$15,805	$391,933	$104,901	$149,280	$1,190,377	$2,488,873
88	88	$0	$1,038,955	$32,078	$17,171	$1,554,819	$32,133	$12,641	$45,247	$12,110	$407,219	$108,992	$150,915	$1,236,391	$2,571,336
89	89	$0	$1,053,862	$32,542	$17,420	$1,626,466	$33,614	$13,224	$47,445	$12,699	$427,001	$114,287	$157,629	$1,285,027	$2,656,082
90	90	$0	$1,068,984	$33,014	$17,672	$1,701,385	$35,162	$13,833	$65,116	$17,428	$432,177	$115,672	$164,605	$1,335,346	$2,744,175
91	91	$0	$1,145,533	$35,368	$18,933	$1,714,314	$35,429	$13,938	$49,892	$13,354	$449,026	$120,182	$166,406	$1,386,080	$2,835,097
92	92	$0	$1,161,969	$35,881	$19,207	$1,793,310	$37,062	$14,580	$52,315	$14,002	$470,835	$126,019	$173,808	$1,439,706	$2,928,537
93	93	$0	$1,178,642	$36,400	$19,485	$1,875,913	$38,769	$15,252	$71,800	$19,217	$476,538	$127,545	$181,499	$1,495,186	$3,025,666
94	94	$0	$1,263,042	$38,996	$20,875	$1,890,169	$39,063	$15,368	$55,012	$14,724	$495,112	$132,517	$183,483	$1,551,124	$3,125,915
95	95	$0	$1,281,164	$39,561	$21,177	$1,977,268	$40,864	$16,076	$57,684	$15,439	$519,155	$138,952	$191,644	$1,610,251	$3,228,940
96	96	$0	$1,299,548	$40,134	$21,484	$2,068,344	$42,746	$16,816	$79,168	$21,189	$525,441	$140,634	$200,123	$1,671,422	$3,336,033
97	97	$0	$1,392,605	$42,997	$23,016	$2,084,062	$43,071	$16,944	$60,658	$16,235	$545,918	$146,115	$202,310	$1,733,098	$3,446,565
98	98	$0	$1,412,585	$43,619	$23,349	$2,180,095	$45,055	$17,725	$63,603	$17,023	$572,426	$153,210	$211,307	$1,798,291	$3,560,158

TAXABLE INVESTMENT DETAILS (FOR CHILD)

			Interest & Fixed Income			Dividends and Capital Gains							Total		
End of Year	Child'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)
99	99	$0	$1,432,855	$44,251	$23,688	$2,280,513	$47,131	$18,541	$87,291	$23,363	$579,354	$155,064	$220,656	$1,865,737	$3,678,237
100	100	$0	$1,535,457	$47,407	$25,377	$2,297,844	$47,489	$18,682	$66,881	$17,901	$601,931	$161,107	$223,067	$1,933,740	$3,800,107

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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GLOSSARY

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.