

# Wealth Protection Strategies

CANACCORD Genuity  
Wealth Management

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Wealth & Estate Planning Services

A strong financial plan is essential to growing and preserving your wealth. A comprehensive plan considers not only investment management but also wealth protection, insurance, and tax planning opportunities, empowering you to maximize the benefit of your assets.

Even with a robust plan in place, taxes can have a significant impact on your wealth. With the top personal and corporate income tax rates increased to an average of 51% across the country in 2016, and the non-eligible dividend tax rate at an average of 44%, tax-exempt insurance solutions can have more relevance than ever.

#### Who can benefit?

Insurance strategies can be beneficial for investors of all ages with a wide range of needs, from income to estate transfer. Those holding excess cash in their corporate structures or holding companies are especially well positioned to benefit from life insurance solutions.

#### Insurance solutions

Life insurance strategies move excess capital from a taxable environment to a non-taxable environment. Within the context of your financial plan, this can be a useful tool to:

- Mitigate tax to preserve your assets
- Efficiently transfer wealth to the next generation
- Plan for the future of your estate

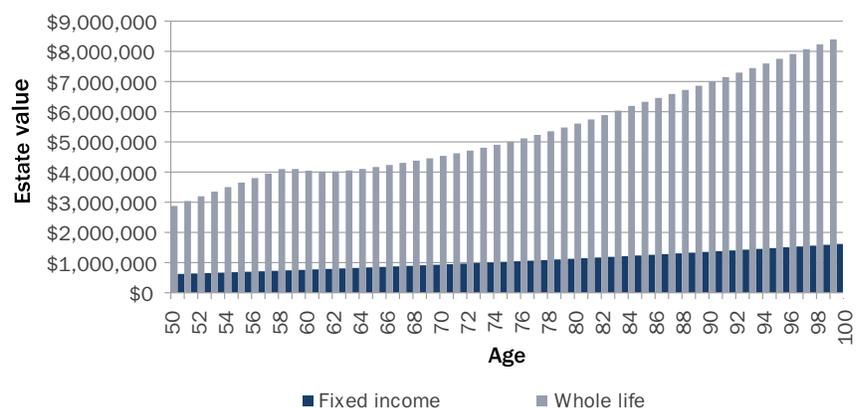
#### Here's an example

Robert and his wife, Suzanne, are both aged 50, and have \$1 million in excess cash in their corporation to invest. The chart below illustrates the total after-tax value of their estate if they were to deposit \$100,000 each year for 10 years into a tax-exempt corporate owned whole life insurance policy, compared to investing the same amount in a fixed income portfolio yielding 3%.

Choosing the tax-sheltered corporate insurance strategy will mean that Robert

and Suzanne's total estate value will be over \$8.5 million after tax, compared to approximately \$1.6 million in the fixed income portfolio. This difference of almost \$7 million illustrates the powerful compounding effect of a tax-exempt insurance solution like this one.

Robert and Suzanne could even withdraw tax-preferred income from their policy and still benefit from a significant estate advantage, giving them the best of both retirement planning and wealth protection.



Assumes fixed income rate of return of 3%, whole life 6% dividend. For illustration only and not indicative of future returns. Actual values will vary. Please see your estate planning specialist for limitations on values and guarantees.

#### Act now to maximize your opportunity

In addition to recent tax rate changes, new legislation will take effect on January 1, 2017, that will revise the exempt test rule that determines how life insurance policies are taxed; these changes to the insurance legislation are the first major changes in over 30 years. The new legislation will affect the efficiency and tax-minimizing capabilities of tax-exempt insurance products, so, to maximize the benefits of these solutions, the time to act is now.

**Contact your CGWM Investment Advisor today to meet with a Wealth & Estate Planning Specialist and learn how you might benefit from these solutions.**