



Canada Life™

## Lifetime Annuity & Scheme Pension

### Key Features

#### Its aims

- Uses the funds accumulated from your registered pension scheme(s) to buy an income for the rest of your life.
- It will be classified by Her Majesty's Revenue and Customs as either a lifetime annuity or a scheme pension as shown in your Personal Example.
- Allows you to make provision for your spouse, civil partner or dependants to go on receiving benefits after your death, if you wish.
- Offers a range of options to suit your circumstances and needs.

#### Your commitment

- You make a decision to arrange for your registered pension scheme fund(s) to be paid into the policy. You cannot change your mind or decide to go to another insurance company once the policy is finalised.
- You make a final decision about the type of pension benefits that you want.

#### Risk factors

- Your accumulated fund may fall in value between now and when you agree to go ahead with your policy.
- Your circumstances may change after you retire.
- You may find that you have not made adequate provision for your spouse, civil partner or dependants.
- You might not have made enough provision against future inflation and a rising cost of living.
- The total return from the annuity will depend on how long you and (if applicable) your spouse, civil partner or dependants, live.
- The amount of your income depends on the annuity rates at the time you take out your policy. You may find that you could have done better by waiting for a change in the annuity rates.
- These contracts have no cash-in value at any time.

As you cannot change your mind later, at this stage it is worth taking your time and discussing your options with your Financial Adviser.

### **About the Lifetime Annuity and Scheme Pension**

- These are policies that use the funds from registered pension schemes to provide a regular income for your lifetime and, if you choose, the lifetime of your spouse, civil partner or dependants.
- The final level of pre-tax income purchased will be guaranteed (subject to any scheme limits on maximum benefits). Income payments have tax deducted as required by law.

### **What optional features are available?**

- Initially you may be able to take part of your fund as a tax free pension commencement lump sum. Your Adviser will be able to explain the details.
- Depending on the type of annuity you select, you can opt to have your income payments guaranteed for a period of up to ten years from the start. This means that, should you die within the guaranteed period, your income will continue being paid until the guarantee expires.
- Choose to have a lump sum payable on death, such as one which protects some or all of the initial capital. Any lump sum would be paid to the owner of the policy or, if they are deceased, at the direction of their Personal Representatives, and will have tax deducted as required by law. Not all lump sum death benefit options are currently available.
- You may choose to provide an income for your spouse, civil partner or dependants payable after your death, perhaps at a reduced rate. Please note that if you select that the recipient of this further income is to be someone other than your spouse/civil partner, then Canada Life will check that the person is a dependant at death and if they do not meet the criteria defined in the 2004 Finance Act, the benefit will not be paid.
- You have the option of arranging for payments to increase, either by a fixed amount every year, or in line with inflation.

You need to bear in mind that these options will increase the cost of your policy and reduce the amount of your income payment from the start. Please ask your Adviser about the optional features available to you and any possible restrictions that may apply.

### **How will it work for me?**

- The Personal Example gives you an illustration of how a Canada Life annuity could work for you.
- If the funds available to purchase your policy are subject to fluctuations, you may find that the amount paid into your policy differs from the Personal Example. In this case your income will be different.
- In this key features document you will find the answers to some of your questions, and you may find questions that you want to query with your adviser.

### **What is the GMP and Protected Rights?**

If your pension fund includes benefits from contracting out of the State Pension Scheme(s), your annuity will contain either Guaranteed Minimum Pension (GMP) or Protected Rights benefits.

Certain restrictions apply to the way these benefits are to be taken i.e. whether an income must be provided for your spouse/civil partner and whether the income must increase each year.

## Further Information

### Cancellation rights

Once you have bought your policy it is a final decision, there is no chance to cancel. But you have a period of at least 30 days in which you can review and consider your choices, before the contract is concluded. If you decide to change your mind after we have received your pension fund, the amount returned will be the lower of the monies received and the cost of purchasing the equivalent annuity at the date we received the cancellation form from you.

We make no other charges or deductions if you change your mind within the 30-day period.

### Contribution

The contribution must be paid to Canada Life by cheque or telegraphic transfer from the Trustees/Administrator of the pension scheme(s), or from the insurance company holding your funds.

No interest is credited for any money received by Canada Life before the contract is finalised.

### Tax

Your pension payments are treated as earned income and will normally be paid after deduction of tax under the PAYE system.

A lump sum death benefit that represents the protection of the initial capital is subject to the deduction of tax, currently 35%.

The information regarding taxation is based on our understanding of current legislation, which may be altered and depends on the individual financial circumstances of the investor.

### Law

The Law applicable to, and governing, the policy is English law.

## Queries and complaints

For further information or if you wish to complain about any aspect of the service you have received, please contact Canada Life. Complaints which we cannot settle can be referred to the Financial Ombudsman Service:

**The Financial Ombudsman Service**  
**South Quay Plaza**  
**183 Marsh Wall**  
**London E14 9SR**

Telephone: **0845 080 1800**

Email: **complaint.info@financial-ombudsman.org.uk**

Web site: **www.financial-ombudsman.org.uk**

Making a complaint will not prejudice your right to take legal proceedings.

If you make a valid claim against Canada Life in respect of the investment or protection provisions that we arrange for you and we are unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme; details of the cover provided by the Scheme are given in a leaflet which is obtainable from:

**The Financial Services Compensation Scheme,**  
**7th Floor, Lloyds Chambers**  
**1 Portsoken Street**  
**London E1 8BN**

Telephone: **0207 892 7300**

Information on compensation arrangements is available from Canada Life on request.

### About Canada Life

The Canada Life Assurance Company provides insurance and wealth management products and services through domestic operations in Canada and international operations in the Republic of Ireland, Isle of Man, Germany and the U.K., as well as branch and subsidiary operations in other countries. Canada Life is a subsidiary of The Great-West Life Assurance Company and a member of the Power Financial Corporation group of companies.

[www.canadalife.co.uk](http://www.canadalife.co.uk)

*This leaflet is a brief guide to the key features of the product. Full details of the contractual terms are contained in the policy document which, together with the application form, constitutes the legally binding contract between you and Canada Life Limited, a company incorporated with limited liability. Registered in England no. 973271*



# Canada Life

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