



Canada Life™

Purchased Life Annuity

Key Features

Its aim

To provide a guaranteed income, before tax, for the whole of your life, or for an agreed term.

Your commitment

You agree to pay a single premium investment into the plan.

Risk factors

The policy has no cash-in value at any time.

The amount you actually receive year by year may vary, depending upon future tax rates and your taxable income (please see Further Information for details of tax).

Depending on the type of annuity taken out, if you die earlier than expected, you may have received less in income than you paid in.

What is the Purchased Life Annuity?

The Purchased Life Annuity is a policy designed to provide you with a guaranteed gross income for the whole of your life, or for an agreed term (Temporary Annuity); you will be taxed on this gross income at your marginal tax rate.

How will it work for me?

Attached to this leaflet you will find your Personal Example showing how the Canada Life Purchased Life Annuity can work for you.

This leaflet will answer some of your questions and help you to find out more from your adviser.

You can find more detailed information on this plan in our Purchased Life Annuity product details and policy provisions.

Can I share my plan with someone else?

You may have a joint policy with someone else, usually a spouse or partner.

Income payments can continue at the same level after the first death or it can be arranged so that they reduce on the death of one of the annuitants.

The above option will affect the cost of your annuity and therefore the amount of income paid; please ask your adviser for details.

What optional features are there?

Income payments can be taken monthly, quarterly, half-yearly, yearly or three times a year to cover school fees.

To avoid losing much of the investment on early death, you can arrange for income payments to be guaranteed for any number of years; the income payments will continue, after death, for the remainder of the guaranteed period to your estate.

Alternatively you can arrange that, if death occurs before the amount of gross income payments made equals the investment, the balance will be paid to your estate.

You can arrange for income payments to be deferred to commence on a specified date in the future; should you die before payments begin, your premium will be returned in full, without interest.

You can also arrange for income payments to increase by a fixed amount each year.

The more optional features chosen, the lower the income payments will be; please ask your adviser for details.

Can I change my plan?

No. Once the policy is in force, no changes can be made.

Further information

Cancellation rights

After your proposal is accepted you will receive a notice of your right to cancel. You will then have 30 days in which you can change your mind. If, after having paid us monies in respect of your proposal, you decide to change your mind the amount that we will return will be the lower of the monies that you paid to us and the cost of purchasing the equivalent annuity at the date we receive the cancellation notice from you. There will be no other charge or deduction for the exercise of your cancellation rights.

Tax

Unless arising under the terms of a will, part of each income payment is deemed to be a return of the original capital, and will not be taxed; this is the Capital Element. Tax is charged upon the difference between the gross income and the Capital Element at your highest rate of tax. Payments by Canada Life will be net of the 20% rate tax and higher rate taxpayers will be liable for an additional 20%. Non-taxpayers can reclaim the tax deducted at source and 10% taxpayers can reclaim the tax overpaid.

Non-taxpayers who wish to be paid gross can do so by submitting completed HM Revenue & Customs forms R89 or R86 for joint annuities.

The Capital Element and the effect of tax is shown in your Personal Example.

Changes in your income and taxation rates may affect the net income you receive in future years.

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.

Cashing-in

This plan has no cash-in value at any time.

Law

The law applicable to, and governing, this 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**

Website: **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.

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

Canada Life Limited, Canada Life Place, Potters Bar, Hertfordshire EN6 5BA Telephone 0845 6060708 Facsimile 01707 646088 www.canadalife.co.uk
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