**Description:** The video begins with the presenter on the left side of the screen, speaking to the audience. Presentation slides appear on the right, displaying key points as the speaker discusses them.

**Presenter:** Thank you for joining me for today's webinar on designating “A beneficiary tips and traps involving individual and corporate scenarios”. This is our disclaimer page, and this is based on current legislation interpretations. The information is current as of February 2025 and this is not intended to provide tax, legal or accounting advice.

**Description:** The slide displays an image of an individual working on a laptop along with the title “**Designating a beneficiary: tips and traps involving individual and corporate scenarios**”. Below the title, speaker’s name “Carol Foley” and professional designation “Director, Tax and Estate Planning Group” appears. It transitions to next slide that displays title “**Important Consideration**” followed by five bullet points described below:

* The information provided is based on current tax legislation and interpretations for Canadian residents and is accurate to the best of our knowledge as of the date of publication. Future changes to tax legislation and interpretations may affect this information. This information is general in nature and is not intended to be legal or tax advice. For specific situations, clients should consult the appropriate legal, accounting or tax advisor.​
* This information is provided by Canada Life and is current as of February 2025.​
* Examples are for illustrative purposes only. Situations will vary according to specific circumstances.​
* This presentation contains values taken from one or more corresponding illustrations that accompany it. To fully understand how some of the values shown in this presentation may vary, it is necessary to read the presentation together with the illustration(s). This presentation is incomplete without the corresponding illustration(s).​
* Information for advisors. This material is not intended for use with clients.

**Presenter:** Today I hope to provide you with practical information regarding tips and traps and beneficiary designations. We're going to use case studies with personal and corporate situations. I will primarily talk about situations in the common law provinces and my references will generally refer to Ontario and I will just briefly touch on Quebec, which is under the civil law system. I would also like to put today's presentation in the context of our ever-changing world of estates, trusts and life insurance.

I would think that you would agree that wealth has increased, and the size of estates has grown over the last number of years. The corollary of that is that the size of the states growing has also meant the amount of litigation in estates and trusts has also grown.

In the “Top Wills and Estates Cases of 2024” blog post in December 18, 2024, Suzana Popovic-Montag in the law firm Hull & Hull LLP, noted that 2024 had been another eventful year for estate litigators in Canada. More than 320 Canadian Wills and Estates cases were reported on CanLII since January 1st, 2024, which was an increase of 20% from the number of such cases reported on the database last year. While you may not have heard of CanLII; it is an electronic database that includes reported cases from across Canada.

Now, while those 320 cases dealt with all types of estates and trust matters, life insurance was a factor involving the following matters. Family members making claims that the name beneficiary was holding the life insurance proceeds in trust for them or the estate of the deceased. Former spouses or partners suing when beneficiary designations that were intended to provide security for support payments after separation or divorce was not available due to a changed beneficiary designation.

Beneficiary designations are a tool to ensure the payments of life insurance proceeds, also known as the death benefit, go to the right person without attracting unwanted costs or fees. When a beneficiary designation is made, the insurance payout is made directly to the beneficiary or beneficiaries and bypasses the estate, assuming that the estate was not named as the beneficiary and generally isn't subject to probate.

In common law provinces, a policy may be protected from the policy owner’s creditors under provincial law where a member of a statutorily protected class is named as the beneficiary, spouse, child, grandchild, or parent of the person insured.

In Quebec, the policy could be protected from the policy owner’s creditors under provincial law if a member of a protected class is named as the beneficiary, married or civil union, spouse, child, grandchild or parent of the insured or policy owner, or an irrevocable beneficiary is named.

In summary, life insurance beneficiary designations are an efficient way to help clients achieve their estate planning objectives.

Before we get into the specific case studies, let's review some terminology. Who is a beneficiary? In the common law provinces, each provincial Insurance Act provides for the definition of a “beneficiary”. Generally, in the common law provinces, a “beneficiary” is defined as a person other than the insured or the insured's personal representative to whom or for whose benefit insurance money is payable in a contract or by declaration.

In Quebec, the distinctions are somewhat different. The Civil Code of Quebec has a definition for beneficiary. The beneficiary is a person other than the policy owner, designated by the policy owner to whom or for whose benefit the proceeds are stipulated to be payable in a policy or by means of a declaration, which may or may not be in the form of a will.

Regardless of the province. Remember that revocable beneficiary designations may be changed from time to time by the policy owner.

Under the Insurance Act, the only requirement for a valid designation is that it must be in writing. While not explicitly required under the Insurance Act, the designation must also identify the contract to which it applies and the beneficiaries and their entitlements with sufficient clarity. A designation, alteration or revocation of the beneficiary may be made in more than one way. Two of the ways include being made in a beneficiary designation document or in the will. And Canada Life does accept electronic signatures for designations, provided they satisfy the requirements of the jurisdiction in which the document is being signed. This would involve making sure that the requirements for PIPEDA, provincial Electronic Commerce Acts and so on are complied with, and we use DocuSign for this electronic signature.

**Description:** The next slide displays an image of a kid holding a pet dog along with a white text box that reads title “**Beneficiary Designations**”. It transitions to the next slide, titled “**Beneficiary Designations – Why does it matter?**”, below the title, three different color (Canada Life brand colors- red, dark grey and light grey) boxes appear that shows three different icons along with the onscreen texts that read “Context, Defining a beneficiary, and Does it differ under the Civil Code in Quebec?”.

**Presenter:** So, we've talked about what beneficiary designations are and since I had talked that beneficiary designations could be changed, what if there were competing designation? What if a beneficiary designation had been filed with the insurer and the client makes a new beneficiary designation by Will or Codicil? Which beneficiary designation will stand?

Generally, the last valid beneficiary designation will govern the transfer or distribution of the proceeds after the original plan holder's death.

For example, in Ontario, a designation or revocation in a will is effective from the date that the will is signed under the Succession Law Reform Act, and it would revoke and replace an earlier revocable designation, to the extent of any inconsistency.

In Quebec, a beneficiary cannot be designated or revoked in a will if the beneficiary has already been designated in an insurance policy, unless the will mentions the insurance policy in question or unless the testator's intention is obvious. In addition, the beneficiary designation or revocation made in the last will invalidates that made in a previous will.

**Description:** The next slide, titled **“Beneficiary Designations – Competing Designations”** appears,followed by the slide content that the presenter discusses and is included in the transcript.

**Presenter:** So, one of the things that is not required, but it is something that somebody can do to try to minimize any problems that could arise in the future, is if a beneficiary designation is made by declaration, the owner may wish but isn't required to inform the insurer of its existence. The risk in not filing the declaration with the insurer is that the proceeds upon death of the life insured may be paid to the wrong party.

**Description:** The next slide, titled **“Beneficiary Designations – Competing Designations”** appears**,** followed by the main text that reads: **Notifying the insurer**

* If a beneficiary designation is made by declaration (i.e. in a separate written instrument) the owner may wish to but is not required to inform the insurer of its existence.
* The risk in not filing the declaration with the insurer is that the proceeds upon death of the life insured may be paid to the wrong party.

**Presenter:** So now I've got some scenarios involving beneficiary designations for individuals.

So now that we've reviewed the benefits and the meaning of a beneficiary, let's apply this to some case studies. And these kinds of involve beneficiary designations for individuals following a person's life cycle. The first one will be naming family members, and that could be when somebody is just starting out and they're going to name parents and then maybe siblings as their alternate/contingent beneficiaries. And then we can move on as people mature and they're in relationships and they have partners, and then they can have minor children, and the minor children could be their alternate/contingent beneficiaries. Another thing that arises is providing for a child who has a disability.

And the other thing that can happen is upon marriage breakdown or relationship breakdown, life insurance can be used as security for support to deal with obligations as a result of that divorce or separation.

**Description:** The next slide, titled **“Beneficiary Designations for Individuals – Scenarios”** appears**,** followed by the numbered text described below:

1. Naming family members
2. Providing for minor children
3. Providing for a child with a disability
4. Using life insurance as security for support obligations upon separation or divorce

**Presenter:** So, let's look at our first case scenario and this is involving Helen, who has purchased a life insurance policy and wants to name parents as the primary beneficiaries and then siblings as the alternate beneficiaries.

**Description:** The next slide, titled **“Case Study 1 – Parents/family members as beneficiaries”** displays an icon of a certificate in the centre. On the left side, there is a text box that reads “Helen”. On the right side, there is another text box that reads “Parents or family members”. Below the right text box, there is an additional text that reads “Wants to leave life insurance to parents and alternately to siblings”.

**Presenter**: So, if the parents are named as beneficiary, what would happen if one of the parents passed away?

It could be that it would then go to the surviving parents and then if both parents were deceased before Helen, the alternate designation was to Helen siblings. But what if one of Helen's siblings predeceased leaving a child or children?

**Description:** The next slide, titled **“Beneficiary Designations – Observations – Provinces outside of Quebec”** appears,followed by a statement that reads “Helen wants to leave her life insurance to her parents and alternately to her siblings”. Below the statement, there are four teal-colored boxes that contain text, which the presenter discusses and is included in the transcript.

**Presenter:** If Helen wanted to have this gift go to a deceased sibling’s children, her nieces and nephews, it would have to be her beneficiary designation would need to be modified because in our example she had just put siblings, and she had not specified that if a sibling had predeceased her then she wanted that sibling share to be paid to the sibling’s children. So, it would need to be clarified.

And so, one of the things that happens, and one of the problems is if people use generic descriptions, “my wife” or “my brother”, there's the potential for confusion. It could be that somebody, when they have the insurance policy, has one brother, but when they pass away, there's been a younger brother that's been born, which brother, you know, so what did they mean? Or maybe they weren't talking to one brother, and they wanted only the one that they were talking to names. So, it would be better to be clear.

And the other thing is my wife, sometimes we have people that have a legal marriage, and they might still be legally married and now they are separated from that wife, and they've entered into a common law. So, they could potentially maybe have two spouses. So, if we're in situations where there's any confusion about who is intended as the beneficiary, the insurer will pay the funds into court.

**Description:** The next slide, titled **“Beneficiary Designations – Tips and Traps”** appears,followed by a heading **“TIPS”.** Below the heading, there isa statement that reads “If Helen wanted to have a gift over toa deceased sibling’s children, Helen would need to modify the designation”. Below the statement, there is another heading **“TRAPS”** along withthe main text that reads “Avoid using descriptions like “my wife” or “my brother” – potential for confusion. Consequence – if the beneficiary designation is not specific and the insurer is concerned about litigation, the insurer will pay the funds into court.”

**Presenter:** So that's one situation. Now we're going to move on to Helen is now in a relationship. She's been moving on and she's in a relationship and they've named each other and then if something happens to both of the parents, they've got minor children, and they would like to name their minor children as the contingent beneficiaries. So, let's explore what would happen if they just named the minor children as a contingent beneficiary and they named each other as the trustee to receive funds for their minor children, but they haven't named an alternate trustee to receive the funds for the minor children if they had both passed away. So, what would happen in this situation?

**Description:** The next slide, titled **“Beneficiary Designations – Minor children”** displays an icon of a certificate in the centre. On the left side, there is a text box that reads “Parent”. On the right side, there is another text box that reads “Surviving Parent”. Below the right text box, there is an additional text box that reads “Contingent beneficiary – minor children”.

**Presenter:** One of the things is I want to set some context is that under the law minor children are not considered capable by reason of the age. So, they're considered essentially to be incapable and that means they couldn't receive the money directly. And generally, in Ontario and other common law provinces, A child's parents or caregivers are not automatically entitled to receive and manage a minor child's money.

**Description:** The next slide, titled **“Beneficiary Designations – Background information re Minor children”** appears, followed bytwo bullet points that the presenter discusses and are included in the transcript.

**Presenter:** So, I thought I would use Ontario's an example of how this could be done or what would happen if we had these minor children and trust provisions hadn't been set up. So, one of the things that will happen is the parents had life insurance policies. Now both parents have passed away and what's going to happen to these life insurance policies and how are they? What's going to happen for them where they've been left for minor children? But nothing has really been dealt with to do that in the procedures under the law. So, one of the first things would be what is the amount of the insurance proceeds? The insurance proceeds are under $35,000. The funds could be paid to a guardian of the child and if one of the parents had still been alive, it could have been paid to the parent. That's step one. Step 2, if the amount is $35,000 or more, and no one had been appointed as the guardian of property for the child. And we'll get into that in another moment.

The funds would be paid into court and held by the accountant of the Superior Court of Justice until the child attained the age of majority, which is 18 in Ontario. And if this child needed the funds before reaching the age of 18, a request would need to be made through the Minors Funds program with the appropriate forms. And the request would have to show that the money would be used for the direct benefit of the child and the caregivers would be unable to meet the needs of the child without receiving this money.

**Description:** The next slide, titled **“Beneficiary Designations for minors – Outside of Quebec – Observations using Ontario as an example”** appears. The slide displays two teal-colored text boxes that read “If amount is <$35,000, amounts can be paid to a parent or guardian of the child” and “If amount is ≥$35,000, the amount is paid into court or the guardian of property”.

**Presenter:** So, I had mentioned that there was this guardian of property for child. So, guardian of property for the child could be appointed. And in our case study, the parents had passed away. So, we'd be looking at somebody else being named to be appointed as the guardian, the child property.

And where the amount of money is substantial, the court may require a Trust Company to act as the guardian of property. The court will consider all of the circumstances, including the applicant’s ability to manage the property, the merits of the proposed management plan for the investment and management of this money and the views and preferences of the child were possible. And where we're dealing with a nonparent, guardians of property have to post a bond, and the application has to be filed with the Office of the Children's lawyer whose role is to represent the interests of the minor child. And so, a management plan has to be prepared. It will set out the nature and value of the child's property. And then it has to include an investment plan, breakdown of the cash equities, fixed incomes, any details about commissions and costs or fees to be paid, risks with any of the proposed investments, the anticipated rate of return from the investment and the management plan and any subsequent changes have to be approved by the court.

So, the guardian of property would receive a guardianship order and this management plan that they'll have to follow. And they'll have to keep detailed records of all dealings with the money and everything that they're doing regarding this. And the property would be transferred to the child at the age of 18. And then they also may have to do periodic reporting of their accounts about the care and management of the property to the Office of the Children's Lawyer. And the Office of the Children's Lawyer is an office in Ontario, and it's intended to protect and look after the interests of minor children. The other option would be appoint a trustee for the children. And in all provinces except Quebec, trustee could be appointed. So, the life insurance benefits would be paid under the contract to a beneficiary who at the time the payment is made as a minor. And so instead it would be paid to the trustee in trust for the beneficiary, and then this trust would cease once the beneficiary reached the age of majority and what that age of majority will depend on, which province, Ontario had already said was 18.

So that's another option.

**Description:** The next slide, titled **“Beneficiary Designations for minors – Outside of Quebec – Observations using Ontario as an example”** appears. The slide displays two teal-colored text boxes that read “Guardian of property for their child – court process” and “Jim Smith, trustee for Jane and John Doe”.

**Presenter:** So, I've been talking a lot about trusts, and I thought I'd just do a highlight a little bit more about kind of, I'll call this more of a formal trust. But so, what is a trust? A trust is really an ownership arrangement over property and the trust property is provided by the settlor. The trustee has legal title to the property and the trust beneficiaries have beneficial title. And typically, in the case I'm talking about these trusts, a written trust agreement that will outline the duties and powers of the trustees and the beneficiaries entitlement to the trust property.

And a lot of time when we're talking about trust, we talk about income and capital of the trust. So, in this case, if we were dealing with a life insurance policy and the proceeds of which we're going into the trust, then the capital of the trust would be those life insurance proceeds that would be going into the trust. And then once it's in the trust and if it's earning income on the trust, that could be income of the trust. And like all things legal, there are differences between tax law and trust law. And it's important to realize that trust law is not always the same for income tax purposes. So, under trust law, a capital gain realized by a trust, it's considered to be part of the capital of the trust. But for income tax purposes, it's still considered like a tax. The taxable part of the capital gain is still included as income for income tax purposes. In situations where we would have income beneficiaries and capital beneficiaries, the distinction between all of these things is very important.

**Description:** The next slide, titled **“Beneficiary Designations for minors – Terms regarding trusts”** appears.The slide displays two subheadings: “What is a trust?” and “What is the income and capital of a trust?”. The presenter discusses the body text in detail during the video and is included in the transcript.

**Presenter:** And so, if we had parents that wanted to be setting up this formal trust for their children, because if we're looking at millions of dollars from an insurance policy going to a child just when they reach the age of majority, people might think that's a lot of money for a young person. So, by having these kinds of more formal trusts, it's possible for to have the money held for a longer period of time. And we would recommend that clients obtain legal advice from their professionals on all of the things to do with setting up the trust. And these are some of the things that they will need to think about when they talk to their lawyer about having trust provisions set up. One of them, who are they going to name as the trustee? And not only do they have to name the trustee, they have to think about alternate trustees because maybe their first choice will not be able or willing to act at the time that they have to act.

And often you could have somebody that's named as the guardian of the children, and the parents might name somebody else as the trustee of the trust that's looking after the money so that there's some separation.

And the trust provisions can give the trustee discretion to use the trust fund. They can use income and capital for the benefit of the child. And then the other thing is the trust could be distributed to the child, the child over a period of time. Sometimes it's at specific ages, sometimes in their 20s and then in their 30s. And until the child reaches the final age of the distribution or the final. In which the trust fund is supposed to be paid out. The trustees would have some control over the child's entitlement.

In the estate and be in a position to use it for the child's benefit. And since a trust can last a lot of years, it's also possible to consider what would happen to the trust fund if a child died before the trust fund fully paid out. And then who would receive the funds? Sometimes it goes to other extended family members and sometimes it would go to charity.

And then the other thing is the lawyers will also make sure there's appropriate powers given to the trustees to be able to manage the trust fund. So, there's a lot to think about.

**Description:** The next slide, titled **“Beneficiary Designations for minors – Background re trusts – Outside of Quebec”** appears**,** followed by a subheading: “Matters for parents to consider in setting up a trust with advice from their tax and legal advice from their profession”. Below the subheading, there are some bullet points listed below:

* Trustee along with alternate trustee(s)
* Parents may appoint different person as child’s guardian
* Giving trustees discretion regarding the use of trust fund income for benefit of the child/children
* Giving trustees the power to encroach on capital
* Distribution of the capital of the trust fund to the child/children – over a period of years or at specific ages
* Distribution of trust fund if child dies before the trust has fully paid out
* Powers given to the trustees

**Presenter:** So, I've been talking about this formal trust agreement. So, it could be something that's set up inside the will or it could be set up outside the will. So, let me spend a little bit of time on how this would work.

**Description:** The next slide, titled **“Beneficiary Designations for minors – Outside of Quebec – Observations using Ontario as an example”** appears. The slide displays two teal-colored text boxes that read “Formal trust agreement inside the Will” and “Formal trust agreement outside the Will”.

**Presenter:** So once our clients, we've dealt with the lawyer about getting this set up, then we're kind of saying how to make sure that then that beneficiary designation gets properly reported so it will reflect what the clients want. And when I'm saying a formal trust inside the will, this is really making a beneficiary designation through the will. You're really making the insurance declaration in the will. And when designating beneficiary by will, lawyers will generally place the beneficiary designation within the body of the will before the general vesting of the assets into the name of the executor to provide clarity that the policy does not vest in the executor and passes outside of the will.

And we want that. So, then we're saying there shouldn't be any probate fees payable. So, the lawyer will generally include the rated related terms for the trust prior to the vesting clauses in the will. And then this is to show that the life insurance declaration is not intended to form part of the deceased estate. So essentially the beneficiary designation is included in the will, but not as part of the estate distribution. Now there was a Saskatchewan case called Re Carlisle Estate, where the court found that the clause in the Will that the proceeds of all insurance policies had to be paid to the executor made those funds in a estate asset because the deceased had named her executor as the trustee of the life insurance trust and the executor had to account for the insurance proceeds in his capacity as executor and trustee of her will and that meant they were included for probate purposes. This case was controversial and so I would recommend that clients obtain legal advice from a lawyer in their jurisdiction to make sure they avoid any complications. So how would this beneficiary designation that has been set up in the will be communicated to the insurance company to make sure that it would be followed so they can use the insurer’s forms as per the will, and then you put the date of the life insured and then provide a cover letter informing the insurer that the trustee has been designated in the will and is to receive the insurance payout on behalf of the insurance trust. And then a notarized copy of the terms of the trust and the will and its signature pages can be included. And that's to prevent the beneficiary designation from revoking the designation made in the will.

So, the other thing is the designation needs to provide enough information to identify the specific policy in question.

And then the other way that it can be done outside the will.

**Description:** The next slide, titled as **“Minor children as beneficiaries – provinces outside Quebec”** appears**,** followed by a subheading: “Use a lawyer to create a formal trust agreement inside the Will and advise on the beneficiary designation including”. Below the subheading, there are some bullet points listed below:

* Use this language in the insurer’s forms “As per the will, dated [insert date], of [the life insured]”
* Provide a cover letter informing insurer that trustee(s) designated in the will are to receive the insurance payout on behalf of the insurance trust
* Include a notarized copy of the terms of the trust in the will and its signature pages to prevents the beneficiary designation from revoking the designation made in the will

**Presenter:** So, if a formal insurance trust has been established outside of the will, so essentially that would be like a separate document, what would be the procedure to communicate that to the insurance company. And this language can be used in our forms as per the insurance trust. And then the date of the date of it and then of the life insured. And again, a cover letter informing the insurer that the trustee has been designated in the trust settlement agreement to receive the insurance payout on behalf of the insurance trust. And then a notarized copy of the terms of the insurance trust and its executed signature pages can be provided as part of this, provided to the insurance company.

**Description:** The next slide, titled **“Minor children as beneficiaries – provinces outside Quebec”** appears,followed by a subheading: “Use a lawyer to create a formal trust agreement outside the Will and advise on the beneficiary designation including”. Below the subheading, there are some bullet points listed below:

* Use this language in the insurer’s forms “As per the Insurance Trust, dated [insert date], of [the life insured]”
* Provide a cover letter informing insurer that trustee(s) designated in the trust settlement agreement are to receive the insurance payout on behalf of the insurance trust
* Include a notarized copy of the terms of the insurance trust and its executed signature pages

**Presenter:** So, we have covered a lot about how things can be done when we're dealing with minor children. And I was using Ontario as an example. So, if the death benefit wasn't paid into the estate and if the amount was under $35,000, it could be paid to a parent or guardian of the child. And in our case example, the parents had passed away. So, if there was a guardian of the child, it could have been paid to them. If the amounts are over 35,000 or 35,000, they're paid into court. And then we are looking at having a guardian of property appointed for the child and then they have to follow all the procedures to be appointed. And then they could receive the money on designated a trustee. And we went over how that could be essentially in a more of an informal trust and the proceeds could be paid to that trustee and the child would get it at the age of majority. Then we also spend time talking about drafting a formal trust agreement inside the will and really to remember that it's in the will, but it's at the beginning. So, it's really a declaration that's sitting inside the will and it's not intended to form part of the deceased estate. And then it could be a formal trust agreement that's drafted outside the will, and that's a separate document.

**Description:** The next slide, titled **“Minor children as beneficiaries – provinces outside Quebec”** appears,followed by a heading: “Summary of options”. Below the heading, there are some bullet points listed below:

* If death benefit not paid into the estate
* Amounts <$35,000 can be paid to a parent or guardian of the child
* Amounts ≥$35,000 are paid into court
* Appoint a guardian of property for the child
* Designate a trustee
* Draft a formal trust agreement inside the Will
* Draft a formal trust agreement outside the Will

**Presenter:** The same tips and traps with minors as beneficiaries. We recommend that clients get legal advice regarding the use of formal trust provisions. And depending on the amount of insurance, the proceeds could also be paid into the estate and dealt with under the general provisions of the will. And in our case, we were talking about deceased parents. And so, if the parents already had trust provisions for their children, it could be dealt with under that and that would be subject to probate fees, but it would all depend on the amount of the insurance.

The biggest traps are by not having trust provisions, we're looking at children being able to receive money upon reaching the age of majority. And the other thing that sometimes happens is that a minor child is named as an irrevocable beneficiary.

And we had talked about a child not having capacity by reason of their age. And that also means they're not able to give consent while under the age of majority. And it's unlikely that the child's parent or guardian would be able to provide consent to any changes. So, the parties may have to go to court to get any changes approved, and they would have to show that any changes to the policy would be in the child's best interest. And the other thing is when people are doing beneficiary designations and they're not specific and the insurers are concerned about litigation, the insurer will pay the funds into court, and this will result in delays and extra costs.

**Description:** The next slide, titled **“Beneficiary Designations – Minors as beneficiaries”** appears,followed bya heading **“TIPS”.** Below the heading, there are two bullet points that the presenter discusses and are included in the transcript. There is another heading **“TRAPS”.** Below this heading, there are three bullet points that the presenter discusses and are included in the transcript.

**Presenter:** So, let's move on. We're still dealing with children, but what if we had a situation where parents have a child who has a disability, and this child may be receiving government disability benefits. And often, in addition to any cash benefits that they're receiving, they also may include coverage for medical benefits such as prescriptions, housing and other supportive services. And the government benefits often have income and asset tests.

**Description:** The next slide, titled **“Beneficiary Designations – Child with a Disability – outside Quebec”** displays an icon of a certificate in the centre. On the left side, there is a text box that reads “Parent”. On the right side, there is another text box that reads “Child with a disability”.

**Presenter:** So, if we're leaving a life insurance, if we have life insurance proceeds that would be for the benefit of this child with disability. If it's just left outright to the person, to the child with a disability, it could impact their government benefits because the government benefits have income and asset tests.

So, it is possible to have the funds held in trust for the person without impacting their government benefits. And the tool that is used is essentially called a “Henson Trust”, and the “Henson Trust” is a formal trust, and it protects the insurance payout for the individual without affecting the individual's government benefits. Because the “Henson Trust” gives the trustee absolute discretion over the trust assets. And because the trustee has that absolute discretion over the trust assets and the payment of income and capital, the trust is not considered the child's assets. So that's how the life insurance proceeds could be paid into the Henson Trust for the benefit of the child. And because of that discretionary nature of the trust, it's not considered the child's assets. Now, we would strongly recommend using a lawyer for the drafting of these kinds of trust terms because it's critical that the wording be done properly or we risk the child losing their government benefits.

**Description:** The next slide, titled **“Beneficiary Designations – Observations – Child with a disability”** appears.There are four teal-colored boxes that contain text, which the presenter discusses and is included in the transcript.

**Presenter:** And again, not unlike what we had been through when we were dealing with setting up a formal trust agreement inside the will and a formal trust agreement outside the will. So, this will look somewhat familiar to you.

**Description:** The next slide, titled **“Beneficiary Designations – Child with a Disability – outside Quebec”** appears. The slide displays two teal-colored text boxes that read “Formal trust agreement inside the Will” and “Formal trust agreement outside the Will”.

**Presenter:** And again, we would say use the lawyer to do the trust agreement and advise on the beneficiary designation. So again, it could be using the insurance form as per the will, the date and the life insured cover letter explaining what is going on and then notarized copy of the terms of the trust and the will and the signature pages.

**Description:** The next slide, titled **“Beneficiary Designations – Child with a Disability - outside Quebec”** appears**,** followed by a subheading: “Use a lawyer to create a formal trust agreement inside the Will and advise on the beneficiary designation including”. Below the subheading, there are some bullet points listed below:

* Use this language in the insurer’s forms “As per the will, dated [insert date], of [the life insured]”
* Provide a cover letter informing insurer that trustee(s) designated in the will are to receive the insurance payout on behalf of the insurance trust
* Include a notarized copy of the terms of the trust in the will and its signature pages to prevents the beneficiary designation from revoking the designation made in the will

**Presenter:** And then if we look at the formal trust outside the will, very similar to what we had gone over before, use the language as per the insurance trust and the dates, cover letter and then notarized copy of the terms of the insurance trust and its executed pages.

**Description:** The next slide, titled **“Beneficiary Designations – Person with a Disability - outside Quebec”** appears, followed by a subheading: “Use a lawyer to create a formal trust agreement outside the Will and advise on the beneficiary designation including”. Below the subheading, there are some bullet points listed below:

* Use this language in the insurer’s forms “As per the Insurance Trust, dated [insert date], of [the life insured]”
* Provide a cover letter informing insurer that trustee(s) designated in the trust settlement agreement are to receive the insurance payout on behalf of the insurance trust
* Include a notarized copy of the terms of the insurance trust and its executed signature pages

**Presenter:** So, some tips and traps about beneficiary designations with a child with a with disability. We would certainly recommend the clients get professional legal advice as to whether a “Henson Trust” is appropriate in their circumstances. And the “Henson Trust” allows them to provide for their beneficiary without adversely impacting their government benefits. And one of the traps or one of the misconceptions when we deal with “Henson Trust” is that there is no limit on what can go into the trust, so, we could have a few $1,000,000 going into the Henson Trust, but the payments out of the trust, I had talked about income and asset tests for a benefit for somebody that's on disability benefits. So, the trustee has to ensure that any payments out of the trust are within the prescribed provincial requirements or otherwise the beneficiary could be cut off from their benefits. And if the death benefit was paid directly to the child or a trust that didn't meet the criteria for a “Henson Trust”, the child again would lose their government benefits.

**Description:** The next slide, titled **“Beneficiary Designations – Child with a disability - outside Quebec”** appears, followed by a heading **“TIPS”.** Below the heading, there are a statement that the presenter discusses and is included in the transcript. There is another heading “**TRAPS**”. Below this heading, there are two bullet points that the presenter discusses and are included in the transcript.

**Presenter:** So now we're going to move over to the fourth topic that I wanted to talk about individual circumstances, personal circumstances is how separation and divorce could impact the use of life insurance as a security for support obligations.

**Description:** The next slide, titled **“Beneficiary Designations – Separation and Divorce”** displays a certificate icon in the center. There are three text boxes above the icon. On the left side, the text box reads “Client”. On the right side, the text box reads “Former Spouse or Partner”, the text box in the middle reads “Support obligations”. Below the left text box, there is an additional text that reads “Life Insurance used as security support obligations”.

**Presenter:** So, upon separation or divorce, beneficiary designations in any life insurance policy should be reviewed. However, prior to updating the beneficiary designations, it's important that the terms of any separation agreement or divorce judgment are reviewed to determine whether a change of beneficiary is permitted. In some cases, there may be express obligations providing for how the insurance is to be maintained and designated, and that could be for spousal or child support.

And if the former spouse is named as a beneficiary, the designation may need to be changed to ensure the proceeds are no longer payable to the ex-spouse. However, in Quebec, the Civil Code especially provides that divorce or civil union dissolution, not separation of common law spouses or separation from bed and board, defeats the interests of the name spouse, although the separating spouses could agree otherwise. And in Quebec, a divorce pronounces prior to 1982 or present-day separation of bed and board of married couples doesn't cancel the spousal designation on court. Last, a court order deals with it or revocation is pronounced in a separate court order. However, in other provinces, the designation will remain in effect until revoked by the order.

**Description:** The next slide, titled **“Beneficiary Designations – Observations – provinces outside Quebec”** appears,along with a subheading below the title that reads “Upon Separation and Divorce”.There are four teal-colored boxes that contain text, which the presenter discusses and is included in the transcript.

**Presenter:** so, separation agreements can also provide. We've talked about it being used as security for the support obligations. And so that really is if the former spouse that has these support obligations passes away before that period of support has finished, the life insurance is used as that security to make sure that there's still secure funds available for the children or spouse depending on who's or both. And so, if that's the case, the former spouse could be named as an irrevocable beneficiary, and it is possible to check irrevocable on the Canada life forms. A couple of traps or cautions is, It's important for clients to understand what an irrevocable beneficiary designation entails and if the former partner or spouse is named as an irrevocable beneficiary, this means that they might need to consent to policy changes, including assignments, surrenders, and policy loans and if they don't consent, it's possible that none of those changes could be made**.**

**Description:** The next slide, titled **“Beneficiary Designations – Observations – Irrevocable Beneficiary”** appears.The text below the title reads “Separation agreements may provide that as security for the support obligations, the former partner or former spouse be named as an irrevocable beneficiary”, followed by a heading **“TIPS**”. Below the heading, there is a bullet point that the presenter discusses and is included in the transcript. There is another heading “**TRAPS/CAUTIONS**”. Below this heading, there are two bullet points that the presenter discusses and are included in the transcript.

**Presenter:** So just a few more tips and traps. We talked about how this could be provided for the pay or spouse maintain the life insurance and then the former partner spouse is named as the beneficiary and often it's in trust for the children of the relationship. One of the traps is that if the separation agreement hasn't been complied with, the life insurance company is not able to fix that for your clients. However, it would be better to at least notify the insurer of the terms of the separation agreement upon the death of the life insured. And if the payor spouse changes the beneficiary from what has been agreed to, the payee spouse will have to pursue the matter civilly through litigation.

**Description:** The next slide, titled **“Beneficiary Designations – Observations – Separation/Divorce”** appears, followed by a heading **“TIPS”**. Below the heading, there is a bullet point that the presenter discusses and is included in the transcript. There is another heading “**TRAPS**”. Below this heading, there a short paragraph that the presenter discusses and is included in the transcript.

**Presenter:** So, another option could be that the parties would just create a separate insurance trust, and it could be structured in accordance with the separation agreement or court order. And then in this case, it might be possible to name a third party or possibly executors or trustees of the will as the trustee of the insurance trust. And this could be maybe a way that the parties would agree that the former spouse or former partner isn't named as the, as the trustee of this trust. We just want to ensure that the parties doing this kind of trust agreement, they do nothing that they agree to do would result in a breach of the agreement or court order. So again, legal advice from a lawyer in whatever jurisdiction your clients in.

**Description:** The next slide, titled **“Beneficiary Designations – Observations – Separation/Divorce”** appears, followed by a heading **“TIPS”.** Below the heading, there are three bullet points that the presenter discusses and are included in the transcript. There is another heading “**TRAPS/CAUTION**”. Below this heading, there is a bullet point that the presenter discusses and is included in the transcript.

**Presenter:** So, here's a summary of the beneficiary designations for individuals. They’re really a powerful tool in helping clients achieve their estate planning objectives. And like all things, whenever you're talking to a lawyer, I feel like my middle name should be, now it will depend, the appropriate beneficiary designation will depend on the client's circumstances, and we recommend that clients use a lawyer as insurers can't fix errors with beneficiary designation after life insurance or policy owner in Quebec has died and US Insurance advisors can educate your clients about the nature of designations and then how other professionals such as lawyers can help ensure the proper wording is used and then provided to the life insurer.

**Description:** The next slide, titled **“Summary Beneficiary Designations for Individuals”** appears. The slide displaysthree different icons used as bullet points to represent clients, money, and advisors. Each icon is followed by a brief text description that the presenter discusses and included in the transcript.

**Presenter:** So now I'm going to switch gears and talk about beneficiary designations for corporate owned policies.

So, I'm going to use 4 case studies. I'm going to have a simple corporate structure, and then I'm going to have a simple corporate structure with a twist. Then I'm going to do a Holdco and Opco structure and then a little bit more complex corporate structure. And as a starting point, when we're dealing with beneficiary designations and corporations, it's really the most straightforward. Is that the policy corporate policy owners should also be the beneficiary of the policy to avoid negative tax implications.

**Description:** The next slide, titled **“Beneficiary Designations for Corporations – Scenarios”** appears**,** followed by the numbered text described below:

1. Simple corporate structure
2. Simple corporate structure with a twist
3. Holdco and Opco structure
4. More complex corporate structure

**Presenter:** So, let's look at the situation. We have a shareholder who has a corporation, and the corporation is the owner and the payor and the beneficiary of a life insurance policy.

**Description:** The next slide, titled **“Scenario 1: Beneficiary Designations – Simple Corporate Structure”** appears. The slide displays a text box at the bottom that reads “Corporation (Owner/payor/beneficiary)”. A straight line extends from the center of this text box and goes upward, leading to the text that reads “Shareholder". On the left side of the slide, an icon of a certificate appears.

**Presenter:** So, we've got a situation where we have Miss X who has started a business and has incorporated a company and has realized the importance of having corporate insurance in place for state planning purposes. Now life insurance costs, the premiums are generally not tax deductible, but one of the big advantages of corporate owned insurance policy is the annual savings from the corporation from paying insurance costs with dollars that were taxed at a lower active business rate. That means that fewer pretax dollars are needed when the policy is owned by a corporation instead of an individual. Since personal tax rates are usually higher than corporate tax rates on active business income.

And in this situation, we're keeping it within the general rule that just avoids adverse tax consequences is Opco would be the owner and the beneficiary of the life insurance policy on Miss X's life.

**Description:** The next slide, titled **“Beneficiary Designations – Observations”** appears. There are four teal-colored boxes that contain text, which the presenter discusses and is included in the transcript.

**Presenter:** So now let's move on to the corporate situation with a twist. So, we have the same corporate structure as before and now Miss X is asked, since she was going to use the life insurance policy for estate planning purposes, wouldn't it be easier if she just named herself as the beneficiary of a corporate owned policy?

So, what would be the tax consequences if Miss X became the beneficiary of a corporate-owned life insurance policy by virtue of her being a shareholder? So, I'm just going to give you a second to let you think about whether or not you think Miss X’s thought, or proposal, is a good plan.

**Description:**The next slide, titled **“Scenario 1: Beneficiary designations – Simple Corporate Structure with a twist”** appears. The slide displays a text box at the bottom that reads “Corporation (Owner and payor)”. A straight line extends from the center of this text box and goes upward, leading to the text that reads “Ms. X". On the left side of the slide, an icon of a certificate appears along with an additional text that reads “What if Ms. X is named as the beneficiary?”.

**Presenter:** So, I had given the new corporate structure. So, what are the tax consequences if Miss X becomes the beneficiary of a corporate owned life insurance policy by virtue of being a shareholder? Now we had the same structure and then she wanted to be named as the beneficiary of the corporate owned policy herself. So, is that a good idea? I had asked you to think about the answer and the answer is it's not a good idea. If the shareholder is the beneficiary of the policy, the amount of the annual premium paid by the corporation would likely be considered a taxable shareholder benefit and included in missus miss ax personal income tax return and taxed as ordinary income. And a shareholder benefit can include cash and non-cash benefits conferred by a corporation on the shareholder and that's pursuant to subsection 15, one of the Income Tax Act.

And a subsection 15 sub one shareholder benefit has negative income tax consequences because not only are the benefits taxable to Miss X the shareholder, but the corporation isn't able to deduct the benefits either.

So that really results in double taxation. So, and that has been looked at by CRA and in a CRA document they were asked what would be the amount of the tax will benefit under subsection 15 sub one and they said it would likely be equal to the premium amount for the policy when a shareholder is the beneficiary of a corporate owned policy. So, whatever the premiums are on that policy that Miss X has in her corporation and that's the kind of taxable benefit that we'd be looking that she would have to pay personal tax on. And we had just started at the beginning talking about one of the benefits of using of having a corporate owned policy is being able to use the after tax corporate dollars that if they were taxed if the active business rate gives you more after tax income in the corporation to pay the premiums to turn around and have it taxed in the shareholders hands at likely the higher rates. That's not really a good plan. The other thing that happens when we're dealing with corporate owned policies, the payout will be available to the corporate beneficiaries creditor. So, if Opco for some example, was bankrupt, the pay up payout from that life insurance policy would may be made to the trustee in bankruptcy.

**Description:** The next slide, titled **“Beneficiary Designations – Observations”** appears. The statement below the title reads “What are the consequences if Ms. X become the beneficiary of a corporate owned life insurance policy by virtue of being a shareholder?”. There are four teal-colored text boxes appears, that contain text, which the presenter discusses and is included in the transcript.

**Presenter:** So, let's look at a different situation. We've now got Miss X has been successful. She now has two corporations. She's got a Holdco and an Opco. And what are the consequences if Holdco pays the premium on the life insurance policy, but Opco is the beneficiary?

So, what would happen from a tax point of view?

**Description:** The next slide, titled **“Structure: Beneficiary designations”** appears. The slide displays a text box at the bottom that reads “Opco (beneficiary)”. A straight line extends from the center of this text block and goes upward, leading to another text box that reads “Holdco (policyowner)”. Above the text box, some text appears that reads “MS X (Shareholder). On the right side of the slide, an icon of a certificate appears along with an additional text that reads “What are the consequences if Holdco pays the premiums on the life insurance policy, but Opco is the beneficiary?”.

**Presenter:** So, Miss X has been successful. She's got her two corporations, and one of the reasons she wants to have the insurance policy owned by Holdco is to protect the cash values of the life insurance policy from the creditors of Opco.

But she wants to name Opco as the beneficiary of the policy because that's where she would need the coverage for key person needs. So, she's got a rationale for why she's looking at ownership being in one company and the beneficiary being in another company. But what will that do from a tax consequence point of view?

**Description:** The next slide, titled **“Beneficiary Designations – Case scenario”** appears. There are three teal-colored boxes that contain text, which the presenter discusses and is included in the transcript.

**Presenter:** Well, by having one company named as the owner of the policy and another company named as the beneficiary, this could result in the following potential income tax consequences. We could look at an assessment of a benefit under subsection 246 of the Income Tax Act because the corporate policy owner does not have the same beneficiary.

And subsection 246 sub 1 is a more general provision of the Income Tax Act and it applies where benefit is conferred on a taxpayer by another person and the benefits not otherwise included in the taxpayer’s income. And this situation would not fit into the situation we had before in subsection 15 sub one because Opco is not the shareholder of Holdco.

**Description:** The next slide, titled **“Beneficiary Designations – Corporations”** appears. Below the title, a descriptive text along with three bullet points appear on the slide, that the presenter discusses and is included in the transcript.

**Presenter:** So, you might think what if thought Opco paid Holdco for the insurance premiums, wouldn't this kind of tax situation go away?

And CRA has said if Opco paid Holdco for the insurance premiums, Holdco would have an income inclusion for the reimbursed premiums. And there's a couple of sections under the Income Tax Act that they could use to include this in the income. And Section 9 includes the taxpayer’s profit from a business or property and that's included in income. Or there's another Section 12 sub one sub-X that includes an amount received in a year from another person who pays the amount for the purpose of gaining or producing income from the business or property and it could be reasonably considered to have been received as an inducement,reimbursement, contribution or allowance to the amount that has not already been included in income. So, we could look at that reimbursement then being included in income.

And I want to put this situation a little bit more context. There were before amendments to the definition of the capital dividend account were introduced in the 2016 federal budget, a corporations capital dividend credit from receiving a death benefit was reduced by the policies adjusted cost base respect to the corporation receiving the death benefit.

If a city corporation was a beneficiary but the parent company was the policy owner, the subsidiary would not have an adjusted cost base in the policy and that allowed the full death benefit to be credited to the CDA, the capital dividend account. To prevent this, the CRA invokes subsection 246, sub one to apply to the subsidiary.

However, in the 2016 federal budget, changes were brought in, to address this type of planning with an amendment to the definition of the capital dividend account, which was applicable to deaths occurring after March 21st, 2016. In such cases, the death benefit recipients capital debit and account will be reduced by the ACB of the policy owner. That is, the CDA is reduced even if the corporation receiving the death benefit is not the policy owner.

So, while it may seem that CRA no longer needs to maintain its position on subsection 246 sub one at a technical conference, the APFF conference, which is a conference which is held in Quebec in 2022, where there was a round table with the CRA. This question was posed to them, and they had a chance to retract their position about 246 sub one, but the CRA declined to do so.

So, this is still in operation.

**Description:** The next slide, titled **“Beneficiary Designations – Corporations”** appears. Below the title, a descriptive text along with two bullet points appear on the slide, that the presenter discusses and is included in the transcript.

**Presenter:** So, let's move on to another case study. And this involves a Holdco and a Sisterco. So, the case involved an operating company, and the operating company paid premiums for life insurance policies that was held by two essentially holding companies. One of the holding companies was the shareholder of Opco and the other was a sister company. Opco was the reversal revocable beneficiary of both policies, and they were put in place to ensure that Opco would have sufficient funds to redeem the whole cost shares in the event of the ultimate shareholders death.

**Description:** The next slide, titled **“Structure: Beneficiary designations”** appears. Three text boxes appear, shown connected to each other with straight lines. Two text boxes in the middle of the slide, first reads “Sisterco” and second reads “Holdco”, both are linked to “Mr. Y” shown by using straight lines. Two calendar icons appear on each side of the text box. One text box located at the bottom reads “Opco (payor & revocable beneficiary)”. Some additional text appears on the slide that reads “Majority S/H, 100%, and Owner.

**Presenter:** And in this situation, the CRA assessed benefits, taxable benefits to the Holdco and Sisterco equal to the amount of the life insurance premiums that have been paid.

There was a subsection 15 sub one benefit for the Holdco and a subsection 246 sub one benefit for the Sisterco. And the essentially was based on practically and realistically the appellants, which were the Holdco and Sisterco were getting rich because they didn't have to pay the premiums in question, while Opco got poorer and was hoping to receive the benefit in investment accounts in the event of the death.

**Description:** The next slide, titled **“Beneficiary Designations – Observations”** appears. Below the title, there are four teal-colored boxes, contain text that the presenter discusses and is included in the transcript.

**Presenter:** So, I'll just go back and show this picture. And so essentially OPCO was paying those insurance premium payments, and they were the revocable beneficiary. So, it was possible that the owner could change them being the beneficiary. So, the CRA looked at this and said no, Opco's getting poorer because they're paying for this and they're hoping to get the benefit, but there's no guarantee. And so, because Sisterco and Holdco aren't paying the premiums, they're essentially taking advantage of Opco. So, they were assessed that taxable benefits and so for Sisterco it was 246 sub one and for Holdco was subsection 15, subsection 1. And this situation was based on a real case, Justin Roy, and it had gone to the Tax Court of Canada, and it was appealed to the Federal Court of Appeal, and they continued to uphold the CRA assessment. And so, the taxable benefits were held. And so those companies ended up being assessed taxable benefits for the amount of the life insurance premiums.

**Description:** Presenter displays the previous slide, titled **“Structure: Beneficiary designations”.**

**Presenter:** So, you might be feeling a little discouraged and wondering are there any potential solutions to these situations? So, one of the things is that there may be times when having the corporation as both the policy owner and the beneficiary does not really accomplish a client’s objectives. And this could be seen in insured by cell arrangements in estate equalization where family members own shares of the operating company and where a policies death benefit exceeds the value of the life insurance fixed valued preferred shares. So, one of the potential ones is in the Holdco, Opco beneficiary context, there is an exception from subsection 246 sub one and that's where the two parties deal at arm’s length.

In an incorporate context, this means that the two corporations aren't controlled by the same person or related persons and this exception is useful in insured by cell situation where the shareholders are at arm’s length and generally that means they aren't related.

In these cases, the shareholders respective holding companies could own the insurance policies on its owners lives and the operating or central holding company could be the beneficiary. So, in the non-related or the dealing at arm’s length situation that could be a solution to the problem that we had where we're dealing with related parties.

**Description:** The next slide, titled **“Beneficiary Designations – Corporations – Potential Solutions”** appears. Below the title, the main text appears, which the presenter discusses and is included in the transcript.

**Presenter:** And then so when we're dealing with related parties. In contrast that exception won't help in an insured by cell situation involving related persons, family members who use holding companies to own their interests in the operating company. In these cases, there's a couple of potential solutions. They could have the operating company buy term insurance for the buyout funding and could have the permanent policy for long-term estate planning owned by the individual's holding company.

And another option is they could set up a central holding company to own the operating company that would own the insurance and then the buyout would occur at the central holding company’s level. So, there are a couple of options that could be considered.

**Description:** The next slide, titled **“Beneficiary Designations – Corporations – Potential Solutions”** appears. Below the title, the main text appears along with two bullet points that the presenter discusses and are included in the transcript.

**Presenter:** So, some of the tips when we're dealing with corporations and their insurance is to make sure they get legal and tax advice from their professionals. One of the things is to use the full legal name of the corporation and avoid using a trade name when completing the beneficiary designation. And in my case, I've been using Opco a lot. And let's say Opco's full legal name was Opco Corporation Inc. So, if we were filling out any forms, we should be using its full legal name, which is the OPCO Corporation, Inc., and one of the other things is to make sure that the policy, policy owners, tax advisors are aware of the insurance policy information as well as the beneficiary designation.

And often when we're dealing with corporate situations, clients do tax changes, they amalgamate companies, they wind up companies. So, if they're going through any kind of changes, it's good that this information be provided to you and then you could notify the insurer so that people are aware of the situation.

One of the things that can happen is that it's possible that, I mean, I've been talking about amalgamation, but it's also possible that a corporation could be wound up. And sometimes companies have been wound up and there was an insurance policy in the company that nobody remembered about. And then eventually somebody passes away and they're trying to collect on that insurance policy.

And the company has to be revived or resurrected. And to be able, it has to kind of be in that company and then to try to get the death benefit paid out. And sometimes there's time limits and it may or may not work. So, it is important that this be kept on top of.

**Description:** The next slide, titled **“Beneficiary Designations – Corporations”** appears, followed by a heading **“TIPS”.** Below the heading, there are three bullet points that the presenter discusses and are included in the transcript. There is another heading **“TRAPS”.** Below this heading, there are two bullet points that the presenter discusses and are included in the transcript.

**Presenter:** So, in summary, I would say understanding the corporate structure is critical to ensure the life insurance is owned in the appropriate company and, that the beneficiary is appropriate. And when the corporate ownership and the beneficiary are not in the same company, we can advise the clients to consult with their professional advisors about potential tax implications. But it could at least be red flagged that there could be some potential problems, and that people are aware of it at the beginning.

And then, um, I was talking about ensuring that the clients also get, are aware when there's structural changes to the corporation and ensure that the life insurance reflects the new corporate structure and situation and that if things as a result of a corporate structure, the insurance is now really been moved into a new a new corporation that that gets reflected and that things are up to date.

**Description:** The next slide, titled **“Summary Beneficiary Designations for Corporations”** appears. The slide displaysthree different icons used as bullet points to represent clients, money, and advisors. Each icon is followed by a brief text description, which the presenter discusses and is included in the transcript.

**Presenter:** So, in summary, I've hoped that these case studies that have focused on life insurance beneficiary designations and the various situations on personal and corporate situations have given you something that you can share with your clients and their professional advisors and to ensure that the designations allow clients to meet their estate planning objectives, their corporate planning objectives without delays or wealth, the need for going to court. We have a number of resources to help. We have local expertise; we have had office expertise. Myself and my colleague Nick Fabiano are both part of the head office tax and state planning team and we have numerous resources on Canada Life Advisor Hub workspace, and so we have a number of tax and estate planning group articles and concept sheets. We have a life insurance beneficiary designation guide and so there are lots of materials that you can go to that I hope will allow you to find what you need to be able to look after your clients.

**Description:** The next slide, titled **“Canada Life resources”** appears, followed by the main text that reads: “Canada Life has the resources to help!

* Local expertise
* Head office expertise
* Visit Canada Life’s advisor hub – Workspace
  + Tax & Estate Planning Group - articles and concept sheets including
  + Life insurance beneficiary designation guide”.

**Presenter:** Thank you.

**Description:** The final slide displays an image of an individual working on a laptop along with the text that reads “Thank you”.