



2017 TAX CHANGES

What are the deadlines?



Generally, in order for a contract to be governed under the current tax rules, meaning rules in place prior to January 1, 2017, the date that the policy is approved by underwriting **as well as** the policy date (or coverage effective date) must be on or before December 31, 2016. In addition, if certain conditions are met, it is possible that a contract approved by underwriting during the first quarter of 2017 be also governed by the current tax rules (to that end, please refer to the document **Administrative rules**). All other contracts will be governed under the new tax rules.

Based on this information, below are some key dates in order to ensure that policies are governed under the current tax rules.

IMPORTANT DATES – UNIVERSAL LIFE

New business: deadline to obtain a contract governed under the current tax rules

Deadline	MULTI-LIFE UNIVERSAL LIFE	INDIVIDUAL OR JOINT UNIVERSAL LIFE
September 15, 2016	<p>Applications for multi-life universal life insurance must be received at head office by this date.</p> <p>After this date, applications will not be accepted and will be returned to the MGA.</p> <p>It will not be possible to illustrate nor apply for multi-life after this date.</p>	<p>New individual or joint universal life insurance applications will continue to be accepted.</p> <p>If the file is complete by December 15, 2016, the contract will be governed under the current tax rules.¹</p>
December 15, 2016	<p>If the file is complete by December 15, 2016, the multi-life universal life insurance contract will be governed under the current tax rules.¹</p>	

Policy changes to contracts in force by December 31, 2016, and governed under the current tax rules

Deadline	ALL UNIVERSAL LIFE CONTRACTS
September 15, 2016	<p>Applications or policy change forms for contracts in-force by December 31, 2016 must be received at head office by September 15, 2016, for the following requests:</p> <ul style="list-style-type: none"> - Additions of any coverage - Additions of insured persons - Universal life insurance conversion requests for term insurance riders - Exchange requests for term insurance riders - Change of death benefit option that requires proof of insurability - Change in cost of insurance type that requires proof of insurability <p>After this date, applications and policy change forms will not be accepted and will be returned to the MGA. To proceed with a change after this date, a new application form or policy change form will have to be submitted as a new contract will be issued.</p> <p>It will also no longer be possible to produce universal life insurance in-force illustrations for these requests.</p> <p>Please note that for universal life insurance contracts with an effective date between September 15th and December 31, 2016, any change that is listed above will not be allowed.</p>
December 15, 2016	<p>If the file is complete by December 15, 2016, the universal life insurance contract will continue to be governed under the current tax rules.¹</p>

IMPORTANT DATES – TRADITIONAL LIFE

Traditional life insurance refers to all life insurance contracts other than universal life insurance contracts.

New business or policy changes: deadline for contract to be governed under the current tax rules

Policy change deadlines only apply to changes that would cause loss of grandfathered status if done in 2017.

Deadline	ALL TRADITIONAL LIFE CONTRACTS
September 15, 2016	<p>The contract will be governed by the current tax rules if the application or the policy change form have been received at our office on September 15 and provided that the file is complete on December 15, 2016, at the latest.</p>
December 15, 2016	<p>If the file is complete by December 15, 2016, the traditional life insurance contract will continue to be governed under the current tax rules.¹</p>

¹ Complete file: no pending underwriting or issuing requirements. The contract may be issued. If certain conditions are met, it is possible that a contract approved by underwriting during the first quarter of 2017 be also governed by the current tax rules (to that end, please refer to the document **Administrative rules**).