

2017 Tax changes

What changes will apply to Beneva products available for sale as of January 2017 and what modifications will be allowed thereafter?

Following a series of measures adopted in the 2012 federal budget, a number of changes will be made to tax rules affecting life insurance contracts, effective January 1, 2017. A contract will be governed under the new tax rules as soon as one of the following two dates takes place after 2016:

- the approval date by underwriting; or
- the policy date (or the coverage effective date);

unless certain conditions are met and the contract is then governed under the current tax rules (to that end, please refer to the document **Administrative rules**).

Products available for sale as of January 1, 2017 will comply with the new tax guidelines. Here are the details on changes to Beneva product features that will be available for sale in January.

Changes to Beneva products — January 2017

Product	Change	Details
Beneva Universal Life insurance	Multi-life coverage option is no longer offered since September 15, 2016.	This also means that since September 15, 2016: Term life insurance, critical illness insurance or a critical illness rider within a universal life contract cannot be offered: <ul style="list-style-type: none"> • If the coverage is for another insured, in the case of an individual policy; or • If the policy is joint. Other additional benefits however remain available.
Term Life insurance (Term Life and Term Plus)	The conversion of multiple term life coverages covering more than one insured into different universal life coverages within the same contract is no longer possible since September 15, 2016.	Each insured needs to convert their coverage into separate universal life insurance contracts. However, conversions to traditional permanent life insurance benefits offered by Beneva (Whole Life 20, Whole Life 100 and Term 100) within the same contract remain possible.
Permanent Life insurance (Whole Life 20, Whole Life 100 and Term 100)	No changes to product features.	
Critical Illness insurance		
Prescribed annuities		