

Canada Life Freedom Plan



The Freedom Plan can prove invaluable in protecting your financial situation against the unexpected events that can happen in life. Through a combination of benefits, this plan offers you and your family peace of mind for the future.

The Canada Life Freedom Plan is a unit linked protection plan, which offers clients' whole of life assurance.

Subject to benefits chosen by you on your Freedom Plan, Canada Life can pay out a tax-free lump sum if you die, suffer a life-threatening illness or are diagnosed as being terminally ill. You choose the size of the lump sum or income (in the case of Income Protection) you want to receive, and whether you want Life Cover, Serious Illness Cover, Income Protection or all three.

Premiums are reviewed at the expiry of any applicable guarantee period. A review can result in increased premiums or a reduction in benefits. Policy conditions will contain full details.

Life Cover

This provides a tax-free lump sum in the event of death to help your family maintain the same standard of living that they enjoy today.

Automatic Benefits when you choose Life Cover

Terminal Illness Benefit

Provides for the payment of 70% of the death benefit upon diagnosis of a terminal illness.

Children's Life Cover

When you take out a Freedom Plan, we include your children at no extra cost. With your Life Cover, each of your children between the ages of 3 months and 18 years is automatically covered for €3,750, subject to a total cover for all children of half of their parent's total Life Cover.

Optional Benefits when you choose Life Cover

When you opt for just Life Cover in your plan, you still have the choice to select some of the optional benefits available and to include Serious Illness or Income Protection at a later date.

Accidental Death Benefit

This will double the amount paid in the event of death by accident up to a maximum of €125,000.

Hospital Cash

This provides a tax-free cash sum for each day you spend in hospital. This amount depends on the benefit level selected by you at the outset of the policy up to €180 for each day. To claim on this benefit, your hospital stay must be for at least three consecutive days. Cover is provided for hospital stays due to pregnancy when the policy has been in force for at least 9 months. With the Canada Life Hospital Cash benefit, each of your children between the ages of 1 and 18 years is automatically covered for half of your Hospital Cash Benefit subject to a maximum of €60 per day, per child.

Personal Accident Benefit

This provides you with a weekly income if you are unable to carry out your occupation for more than two weeks due to an accident. The weekly income is equal to the benefit level selected by you at the outset of the policy, subject to a maximum of half of your gross income. The maximum weekly benefit is €400 per week. You can receive this benefit while the disability lasts up to a maximum of 52 weeks, although no payment will be made for the first two weeks of disability.



Serious Illness Cover

You have the option of having Serious Illness Cover under your Canada Life Freedom Plan. If you suffer a serious illness, a cash lump sum won't make you better but it should help to reduce the impact of the illness on your life. It can help to ease any financial pressures and give you time to recover.

It is important to realise that not all illnesses are covered by this plan. Below is a list of illnesses that are covered and while Canada Life covers the most comprehensive range of illnesses in the marketplace, we don't include ailments such as diabetes and tumours detected at an early stage which are easily treatable. Please refer to the specific product policy conditions for further details.

What Illnesses are Covered?

Heart Attack	Multiple Sclerosis	AIDS as a result of a Needlestick Injury
Cancer	Coma	AIDS as a result of Blood Transfusion
Stroke	Severe Burns	AIDS as a result of Physical Assault
Coronary Artery By-Pass Surgery	Benign Brain Tumour	Latter Stage Alzheimer's Disease**
Aorta Graft Surgery	Motor Neuron Disease	Latter Stage Parkinson's Disease**
Two Vessel Angioplasty*	Blindness	Severe Rheumatoid Arthritis
Heart Valve Surgery	Loss of Hearing	Chronic Lung Disease (incl. Severe Emphysema)
Balloon Valvuloplasty	Loss of Speech	Muscular Dystrophy
Major Organ Transplant	Bacterial Meningitis	Loss of Independent Existence**
Pulmonary Artery Surgery	Major Head Trauma	Aplastic Anaemia
Kidney Failure	Chronic Liver Disease	Encephalitis
Paralysis	Systemic Lupus Erythematosus	Cardiomyopathy
Loss of 2 or more limbs †	Creutzfeld-Jacob Disease	See below for foot notes.

* Limited payment for One Vessel Angioplasty.

** Cover for these conditions will cease at age 65 unless you are covered for Long Term Care at the time of claim.

† Limited payment for loss of one limb.

Automatic Benefits when you chose Serious Illness Cover

Overseas Surgery Benefit

If you or any of your children between the ages of 1 and 18 years need an immediately necessary surgical procedure arising from one of the serious illnesses listed and which, cannot be performed in any hospital in Ireland, an extra cash amount to help cover travelling expenses will be paid in addition to any Serious Illness Benefit.

Benefit Prepayment

If it is confirmed that you or your children between the ages of 1 and 18 years are on an official waiting list to have Coronary Artery By-Pass, Heart Valve, Aorta Graft or Pulmonary Artery surgeries, then a portion of your Serious Illness Cover will be pre-paid with the remainder payable on the completion of the surgery and survival of 14 days. If you are on an official waiting list for a Heart, Lung, Liver, Pancreas or Bone Marrow Transplant, the full benefit can be paid in advance of the surgery being carried out.

Child Cover

Under your Serious Illness Cover, each of your children between the ages of 1 and 18 years is automatically covered for €25,000, subject to a total cover for all children of half of the parents' total Serious Illness Cover. Your children are covered by the same illnesses as you.

Optional Benefits when you chose Serious Illness Cover

Surgical Cash

This provides a cash lump sum should you have to undergo any of a number of specified surgical procedures. Surgical Cash payments are tax-free under current legislation, can be spent in any way you see fit and will not reduce your Serious Illness Cover.

Hospital Cash

This provides a tax-free cash sum for each day you spend in hospital. This amount depends on the benefit level selected by you at the outset of the policy up to €180 for each day. To claim on this benefit, your hospital stay must be for at least three consecutive days. Cover is provided for hospital stays due to pregnancy when the policy has been in force for at least 9 months. After a Serious Illness claim, where Life Cover continues as part of your plan, the Hospital Cash Benefit will also continue. With the Canada Life Hospital Cash benefit, each of your children between the ages of 1 and 18 years is automatically covered for half of your Hospital Cash Benefit subject to a maximum of €60 per day, per child.

Personal Accident Benefit

This provides you with a weekly income if you are unable to carry out your occupation for more than two weeks due to an accident. The weekly income is equal to the benefit level selected by you at the outset of the policy, subject to a maximum of half of your gross income. The maximum weekly benefit is €400 per week. You can receive this benefit while the disability lasts up to a maximum of 52 weeks, although no payment will be made for the first two weeks of disability.

Permanent and Total Disability Benefit

The list of illnesses covered by Canada Life is comprehensive but what happens if you are permanently disabled because of an illness or injury not included in our list?

There are two options available to you:

- 1 Own occupation PTD; Receive your full Serious Illness Benefit if you become permanently unable to do your usual job because of disability before your 65th birthday. Due to the nature of this benefit not all occupations can be covered.
- 2 Any occupation PTD; Receive your full Serious Illness Benefit if, because of a disability, you become permanently unable to perform certain specified activities prior to your 65th birthday. Please consult your broker or agent for full details.

Long Term Care Benefit

In the event that you become permanently and irrevocably disabled after your 65th birthday through sickness or injury, you will be paid your full amount of Serious Illness Cover. Permanent disablement, in this context, means that you will be unable to carry out three out of five predetermined activities of daily living without the assistance of another person. This benefit focuses on the effects of disablement rather than the cause of it, therefore providing comprehensive additional coverage against a wide range of lifestyle-changing events.

Policy Details of Freedom Plan - Life Cover and Serious Illness

<i>Minimum Term</i>	10 Years
<i>Maximum Term</i>	Whole of Life
<i>Minimum Entry Age</i>	Minimum age at entry is 19 next birthday.
<i>Maximum Entry Age</i>	Maximum age at entry for Life Cover is 70 next birthday, Accelerated or Standalone Serious Illness Cover is 64 next birthday.
<i>Cover</i>	Serious Illness Cover, (Standalone and Accelerated) is limited to a maximum of €750,000 per life. This amount is an overall limit e.g. if you already have €500,000 Serious Illness Cover, the maximum additional cover you can get with Canada Life is €250,000.
<i>Premium Guarantee</i>	If Life Cover is the only benefit on the policy, there is a 10 year premium guarantee. Otherwise there is a choice of either fully reviewable premiums or a premium guarantee of 5 years. After the guarantee period, premiums will be reviewed.
<i>Inflation Protector</i>	There are two options available: <ul style="list-style-type: none"> • Premiums and benefits increase at 5% p.a. • Benefits increase at 5%, variable premiums.
<i>Policy Fee</i>	<ul style="list-style-type: none"> • For monthly cases the policy fee is €5 per month. • For quarterly cases the policy fee is €15 per quarter. • For half yearly cases the policy fee is €25 per half year. • For yearly cases the policy fee is €50 per annum.
<i>Annual Management Charge</i>	Currently 1.5%
<i>Bid/Offer Spread</i>	5%



Income Protection

Income Protection is a benefit available through Canada Life's Freedom Plan. It is designed to pay an income in the event of illness or injury, where you can satisfy the physical health and/or mental health test outlined below. Income Protection is available in one of two ways:

- As one of a combination of benefits with Life Cover and/or Serious Illness Cover.
- As a benefit on its own i.e. Standalone Income Protection.

You decide the amount of gross income you want to protect, when you'd like your payments from Canada Life to start (the deferred period which is the length of time the claimant must be disabled before the benefit payments start) and the age at which you wish to stop your cover i.e. when you plan to retire.

Under the Income Protection benefit, if you are unable to perform a number of essential tasks or if you suffer from a severe mental illness that prevents you from working, Canada Life will provide you with an income. This income is equal to the benefit level selected by you at the outset of the policy, subject to a maximum of 67% of your total earnings less the sum of the income received from any other source. The maximum benefit is €950 per week. Your payments from Canada Life continue as long as you remain to satisfy the conditions in the health tests and up to the cease date of cover chosen by you at the outset of your policy.

In order to claim you must satisfy one of the two following health tests:

The Physical Health Test

You will qualify for Income Protection payments under this test if as a result of illness or injury, you are unable to perform three or more of the first ten conditions or the eleventh condition only as described in the Canada Life Income Protection booklet.

The Mental Health Test

If you suffer from one of the eight mental illnesses we cover, or if you qualify under our definition of mental failure, you will receive Income Protection payments.

Canada Life's Income Protection cover has been approved by the Revenue Commissioners as an income replacement plan and therefore you are entitled to tax relief on the amount you pay for Income Protection at your marginal rate of income tax up to a maximum of 10% of your income. However, in the event of a claim, your Income Protection payments will be taxable.



Policy Details - Income Protection Benefit

<i>Minimum Premium</i>	€30 per month for Standalone Income Protection.
<i>Minimum Benefit Level</i>	€6,500 per annum (€125 per week).
<i>Maximum Benefit Level</i>	€49,400 per annum (€950 per week) subject to a maximum of 67% of your total earnings less the sum of the income received from any other source.
<i>Inflation Protection</i>	Variable inflation options: Benefits increase at 5% per annum, premium charges increase at a rate greater than 5% per annum.
<i>Escalating Payment</i>	Optional and if chosen, the level of Income Protection benefits paid while claiming increases by 3% every year.
<i>Number of Persons Covered</i>	Up to two persons can be covered under the same policy.
<i>Cessation Age</i>	You can choose to cease cover at Age 55, 60 or 65 years.
<i>Deferred Period</i>	13 weeks (3 months) or 26 weeks (6 months). The deferred period affects the price paid for cover. The longer the deferred period chosen, the lower the price.
<i>Minimum Time</i>	Length of time for which Income Protection is taken out cannot be less than 10 years.
<i>Age Limits</i>	Minimum age 19 next birthday.

There are several ways to set up a Freedom Plan

- Dual Life Protection Plans: When two clients take out a joint plan they can each select their own benefits independently of each other. For example, it is possible for a husband to select Life, Serious Illness and Income Protection benefits, and for his wife to have Serious Illness only. They must however select the same inflation protector and guaranteed period.
- If you have sufficient Life Cover or do not feel the need for it, then you can take out Serious Illness Cover by itself.
- When you opt for just Life Cover in your plan, you still have the option to select some of the optional benefits and to include Serious Illness or Income Protection at a later date.
- You can choose Income Protection on its own or you can select it along with Life and /or Serious Illness Cover in either combination.
- The 'Accelerated' Life & Serious Illness plan: After a Serious Illness claim, your Life Cover is reduced by the amount of that claim and your premium will be reviewed. If a Serious Illness claim has reduced your Life Cover to zero then your plan finishes.
- When you select 'Double Payout' Life & Serious Illness Cover, both benefits are provided on your plan but paid independently of each other. Therefore your level of Life Cover is guaranteed not to reduce after Serious Illness Benefit has been paid.

