



IRONSHIELD™  
FINANCIAL PLANNING



It's your money.

KEEP MORE OF IT.

The life insurance industry has become a tax haven and is likely to remain one. Use its heavily favoured status to your advantage!

**The Wealth Protection Plan™** is designed to help you gain, retain, utilize and transfer wealth with the utmost efficiency and the least possible impact from taxes. Through use of this plan, IRONSHIELD Financial Planning helps clients integrate and master even the most complex strategies associated with the Income Tax Act.



Held and backed by one of Canada's top financial institutions, **The Wealth Protection Plan™** transfers existing tax-exposed investments into a legal, government approved, tax-sheltered investment account within a sophisticated Universal Life Insurance Policy. Your investments remain available to you during your lifetime on a tax-free basis to help fund your retirement and estate planning goals.

- 1. Eliminate the need to pay life insurance premiums.**  
Life insurance premiums are not tax-effective. All of our structures aim to pay the insurance costs on a pre-tax basis from sources other than your personal or corporate cash flow. You're saved from having to earn two dollars to pay out one.
- 2. Tax shelter large pools of non-registered investments in one step.**  
Our structures are designed to transfer large pools of non-registered investments into a legal tax shelter in just one step, utilizing sections 12.2 and 148 of the Income Tax Act. That allows these plans to be considered "exempt" by CRA, and keeps your tax-exposed assets sheltered from day one.
- 3. Access your capital during your lifetime.**  
Pre-approved arrangements are built into the process, allowing you to access your initial investment during your lifetime, increase your cash-flow and potentially turn this program into a zero cost plan.
- 4. Protect your assets from creditors.**  
All assets are not created equal – at least not from a creditor protection standpoint. Our structures provide protection from creditors.
- 5. Legally preserve your estate from taxation on death.**  
If you die before you can utilize all of the money in your plan, the guaranteed plan value is paid tax-free to your beneficiaries and the payout avoids probate.

### Consider the following scenarios:

A husband and wife each purchased a \$500,000 10 year term life insurance policy at age 40 for family protection. However, at age 50, their insurance needs are changing and it is now determined that they need \$1,000,000 of life insurance to cover \$1,000,000 of estate tax liability.

Age	Standard Term Plan*	The Wealth Protection Plan™
50-59	The couple pays a premium of \$4,032.84 per year.* <b>Payments = \$40,328.40 (\$74,682.22 earned before taxes**)</b> <b>If death occurs, tax-free payout = \$1,000,000.00</b>	The couple transfers \$160,000 of non-registered investments into the tax-sheltered investment account. They have tax-free access to this cash. <b>If death occurs, tax-free payout = \$1,000,000.00</b>
60-69	Premiums increase. The couple now pays \$10,111.08 per year. <b>Payments = \$101,110.80 (\$187,242.22 earned before taxes**)</b> <b>If death occurs, tax-free payout = \$1,000,000.00</b>	The plan is self funded by the original investment**. <b>No further payments are made.</b> <b>Tax-sheltered investment account = \$407,763.95</b> <b>If death occurs, tax-free payout = \$1,000,000.00</b>
70-79	Premiums increase. The couple now pays \$30,427.92 per year. <b>Payments = \$304,279.20 (\$563,480.00 earned before taxes**)</b> <b>If death occurs, tax-free payout = \$1,000,000.00</b>	The original investment continues to increase in value. <b>No further payments are made.</b> <b>Tax-sheltered investment account = \$666,637.48</b> <b>If death occurs, tax-free payout = \$1,000,000.00</b>
80 +	The Policy is cancelled by the insurance company. <b>If death occurs, payout = \$0</b> <b>Total amount lost to insurance company = \$445,718.40 (\$825,404.44 earned before taxes**)</b>	<b>No further payments are made.</b> <b>Tax-sheltered investment account = \$1,146,326.96</b> <b>If death occurs, tax-free payout = \$1,146,326.96</b>

\* Manulife Family Term 10. Quoting at age 40 and taking the guaranteed term rates for purposes of illustration. \*\* 46% Tax Rate. \*\*\* Assumed 6% growth rate on investments.

**With The Wealth Protection Plan™ you'll have complete confidence that your assets are protected and the peace of mind that comes with knowing you are protecting your beneficiaries.**

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