

Wealth Transfer Guide

Empowering Your Clients
and Their Families Navigating
the Transition





At the industry level, we face two major challenges: an aging client base and the asset outflow from dealers and advisors post-wealth transfer.

This guide is designed to help you get ahead of the moment by addressing these challenges, by exploring the significance of wealth transfer and by providing you with strategies, tactics, resources and tools to successfully navigate this transition with your clients.

Disclaimer

This guide was prepared by iA Financial Group and is intended as general information only and should not be relied upon as tax, legal or investment advice. Please obtain independent professional advice, in the context of your or your clients' circumstances and needs.

Please note that Advisors must act in accordance with iA Financial Group's compliance standards, industry best practices and fair treatment of client's principles, and applicable laws, guidelines and regulations. This includes, but is not limited to, selling products responsibly, providing clear and accurate information, and offering high-quality advice.

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1

What is Wealth Transfer?

Definition

Wealth transfer refers to the process of passing on assets, such as financial and real estate holdings, either intra-generationally (between spouses or partners) or inter-generationally (across generations).

This transfer can occur through various means, including inheritance, gifts or trusts, and is key to shaping the financial landscape of families and economies.

Using the proper terminology for wealth transfer can make a big difference. We invite you to refer to the [glossary](#).



Distribution of financial wealth by age group in Canada¹

	Gen Z	Millennials	Gen X	Baby Boomers	Silent Gen
2022	0.5%	8.0%	27.7%	49.0%	14.8%
2032	5.9%	17.5%	32.0%	40.9%	3.7%

Gen Xers and Baby-Boomers hold

→

73%

of financial wealth and will continue to do so until 2032

- The distribution of financial wealth is expected to fluctuate over the next few years.
- Gen Xers and baby boomers will hold over 73% of financial wealth and are expected to retain this dominance for the foreseeable future. Gen Xers are at a pivotal life stage, planning for the next 30 years of retirement—a significant endeavor. Meanwhile, baby boomers must continue to focus on maintaining financial stability to meet their evolving retirement needs.
- Prioritize these two generations while also considering millennials, who will present substantial financial potential (17.5%).



¹ Investor Economics, "Household Balance Sheet Update and Rebased Forecast 2024."

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Why should it matter to you?

Key market trends and data points

The wealth management industry is experiencing transformative shifts as intergenerational wealth transfer becomes increasingly prevalent. Wealth is constantly changing hands but right now, we find ourselves in the biggest wealth transfer period ever recorded.²

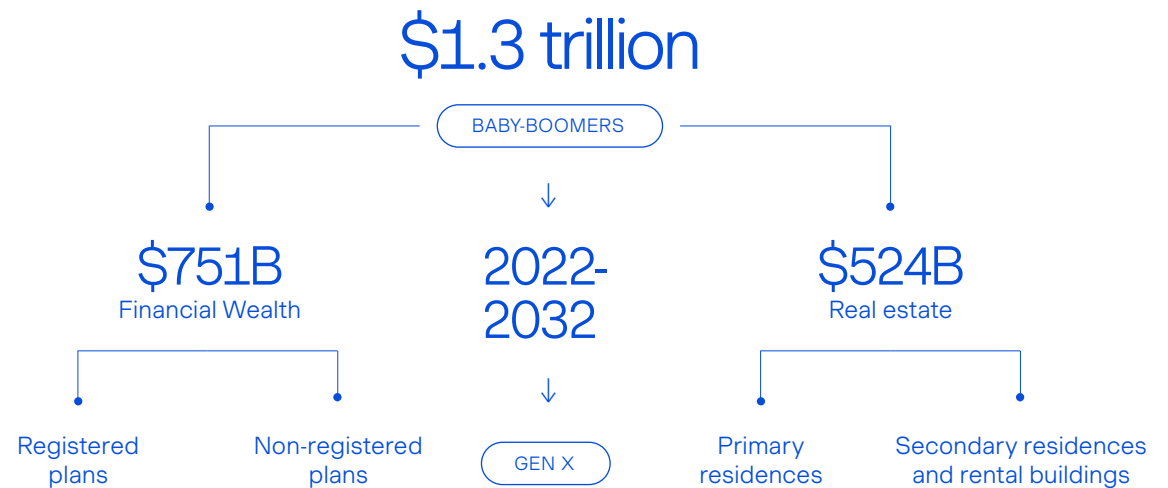
Over \$1.3 trillion is expected to be transferred from one generation to the next over the upcoming decade.³ This substantial sum includes approximately \$751 billion in financial assets and \$524 billion in the form of residential real estate. Only 22% of secondary residence owners have a tax minimization strategy in place (in the event of the death of the spouse).

² Katrina Onstad, "The Jackpot Generation," Maclean's, September 12, 2024.

³ Investor Economics, "Household Balance Sheet Update and Rebased Forecast 2024."



The GREAT Wealth Transfers



Only

40%

of advisors handle both spouses' portfolios, and only 15% of the time does the advisor know the client's adult children.⁴ Establishing and building a relationship of trust with the spouse and adult children while the client is still alive is the biggest challenge. This trust becomes a crucial factor for a successful transfer of wealth that will remain under your management.

80%

of partners switch advisor after their spouse's death.⁵ Advisors need to establish strong, trusting relationships with both partners, proactively addressing their financial and emotional needs to reduce client loss during transitional periods.

Women control

\$2.2 trillion

a figure projected to double to \$4.4 trillion by the next decade.⁶ Women will be key to win in the marketplace. Before intergenerational transfers, interspousal transfers will significantly increase the wealth controlled by women. They will also dominate the inflows when a spouse/partner passes away.

Retaining the assets during transfers between family members may appear straightforward, but it often encounters unexpected challenges, leaving individuals questioning the reasons behind the breakdown of the business relationship.

It's important for you to tailor your strategies to suit each unique situation as it clearly isn't a "one-size-fits-all" approach. A customized approach is key to eliciting trust from clients regardless of the size of the inheritance.



⁴⁻⁵ The Financial Advisors Association of Canada.

⁶ Benjamin Tal & Katherine Judge, "The Changing Landscape of Women's Wealth," CIBC, Marc 4, 2019.

The opportunity cost of neglecting wealth transfer

For wealth management firms and advisors, intergenerational wealth transfer presents not just an opportunity, but a critical challenge: the retention of business. When donors and inheritors are not adequately prepared for wealth transfer, they may face substantial asset losses. In addition to harming their financial security, it can weaken your long-term business relationship with them. This is one of the reasons why effective wealth transfer is crucial for asset retention following a client’s passing.

There is also a significant upside for those who proactively address this challenge. By offering integrated and comprehensive advice, advisors and firms can enhance their net new assets (NNA) by effectively capturing assets in motion. This approach not only helps in retaining existing clients but also attracts new ones, as families seek advisors who can seamlessly manage the complexities of wealth transfer.



Enhancing value to your book of business

Advisors frequently focus on older clients due to their larger asset holdings, which can rapidly enhance the book of business. However, diversifying your client base across different age groups can greatly increase your portfolio’s growth potential, as shown in the table below. Although younger clients may begin with fewer assets, they benefit from the time needed to significantly grow their investments.

Generation	Potential value growth multiples ⁷
Millennials	3.5
Gen X	2.0
Baby Boomers	1.4

Attracting younger clients definitively is key to maximizing long-term value. Addressing the financial needs of younger clients, like your client’s adult children for instance, allows you to benefit from intergenerational wealth transfer, ensuring sustained growth in a dynamic financial landscape.

⁷ Investor Economics, “Household Balance Sheet Update and Rebased Forecast 2024.”

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Winning strategies for wealth transfer

When to act?

The best time to start planning for wealth transfer is NOW. Success depends on building strong relationships with clients' families—spouses/partners, children and beneficiaries—while retaining your clients. While this might seem obvious, competition is intensifying as firms aggressively target clients at the peak of their accumulation phase as these clients are often seeking to consolidate their assets with a single institution. Trust and loyalty take time to build, but developing a strong retirement plan often becomes the starting point for the wealth transfer journey.

Never too late to act!

With a large client base and time swiftly passing, there may be a growing urgency to engage—especially with older clients. Although success is not guaranteed, there are effective strategies you can employ to facilitate productive dialogue and build relationships with your clients' family members. Emphasizing key product features and employing tax-efficient strategies can help mitigate any lost time.

The advisor at the heart of the ecosystem

You are the linchpin in a complex ecosystem, integrating the expertise of accountants, tax specialists and lawyers/notaries to meet your clients' needs. By fostering collaboration and clear communication, you can streamline decision-making and optimize the outcomes for your clients. Your ability to harmonize these relationships is crucial for achieving effective solutions.



Leveraging a comprehensive financial plan

As an advisor, you play a pivotal role in helping clients define their goals, create a strategic roadmap and make the best use of their financial plan to implement trust and estate planning, asset allocation and tax strategies. You must also ensure that you leverage the clients' financial plan at the earlier stages of their financial journey to identify their unique needs and implement wealth structuring and transfer.

When assisting your clients and their families in crafting a robust wealth transfer strategy, you need to invest time and effort in following the key steps of the financial planning process. Personalised advice is your differentiator. Regularly update client profiles and family goals and document every recommendation. This not only ensures suitability but also demonstrates your professionalism and regulatory alignment.

Financial Planning Process

Discovery

Understand client's financial situation, goals & objectives, risks tolerance, income, expenses, assets, liabilities, and investment preferences.

Data collection & analysis

Collect and analyse financial data to evaluate the client's financial situation.



Ongoing portfolio monitoring and review

Monitor investment portfolio and financial plan and adjust based on client needs and market conditions.

Build Financial Plan

Develop personalized and detailed financial plan. Review the plan with the client to ensure it aligns with their objectives and preferences.



Implement investment strategies

Implement strategies from the financial plan, which may include adjusting investments, acquiring insurance, or updating estate planning documents.

Recommend investment strategies

Provide personalized recommendations in budgeting, investing, insurance, tax planning, and estate planning.



Developing a robust retirement plan

Once the financial plan has been set and implemented, it is time to talk to your clients about developing a retirement plan. To achieve that, deeper financial planning discussions will help you secure your advisory role in their wealth transfer strategy.

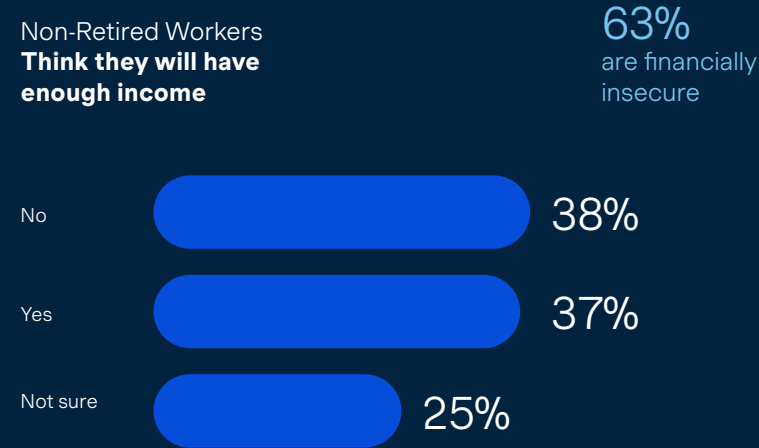
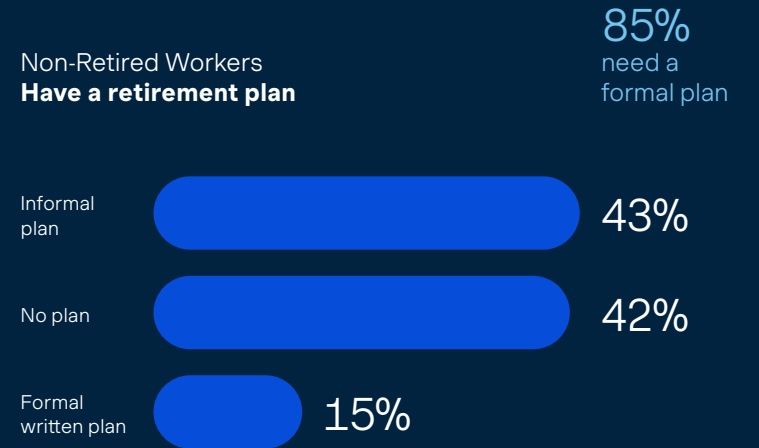
The retirement planning process is a great moment to introduce estate planning to your clients. For that purpose, iA has created a practical and useful guide to help you support your clients who are transitioning from pre-retirement to retirement. The retirement guide is designed to enhance your skills during this crucial phase in your clients' lives.

[The retirement market is set to double in value by 2032.](#) It is increasingly challenging for clients to navigate as they approach retirement. A well-crafted retirement plan is essential for supporting clients, as it significantly reduces insecurity and fosters trust and loyalty. This approach not only aids in retaining clients but also has the potential to consolidate their additional assets.

Pre-retirees and retirees often consolidate assets with one institution for clearer financial oversight and simpler estate planning. This trend offers you a key opportunity to provide comprehensive and streamlined services, enhancing client loyalty and satisfaction.

Read the explanatory document:

[Retirement Journey Support Guide](#)



Source: Retirement Investors in Canada, LIMRA, 2023

Positioning yourself as the trusted family advisor

Positioning yourself as a family advisor can enhance client retention and secure relationships with beneficiaries. To become a trusted family advisor, focus on building strong, trust-based relationships with clients and their families. This involves understanding each family's unique needs and dynamics and offering personalized advice and support.

Here are key steps to achieve this:

STEP 1

Initiate the first conversation with the next generation

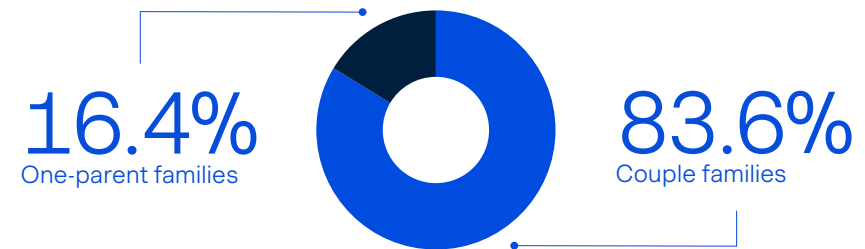
It all starts with having the first conversation. When you engage the next generation, you are one step closer to achieving long-term wealth preservation for the next generation.

STEP 2

Understanding family dynamics

To tailor your approach effectively, invest time in understanding family roles, relationships, goals and potential conflicts (e.g., delays in settling the estate, family disputes, children from multiple partners or a child with a disability).

According to the latest Canada-wide census data, 83.6% of families are couple families (married or common-law), and 16.4% are one-parent families. Among couple families with children, 11.7% are step- or blended families.⁸



The rise of stepfamilies and blended families highlights the increasing diversity within family structures across our nation. Members of blended families often navigate complex relationships, striving for balance and fair treatment to prevent conflicts and discord.

Stress levels can be particularly high in provinces where surviving spouses and dependents have the legal right to contest an estate if their needs are not sufficiently addressed in the will or estate plan. In these cases, understanding key considerations is crucial for guiding informed decision-making.

STEP 3

Building trust

Establish trust by showcasing your expertise, maintaining transparency and consistently prioritizing your clients' best interests. Demonstrate your commitment to client trust by always seeking clear consent before collecting or sharing personal information. Use secure systems and follow Canadian privacy standards to reassure clients their data is protected.

STEP 4

Providing holistic advice

Offer comprehensive advice that extends beyond financial planning to include estate planning, tax strategies, philanthropy and other wealth management aspects.

61%

of ultra-high net worth women consider philanthropy as their top choice among ten interests, passions or hobbies.

⁸ [Statistics Canada](#)

STEP 5

Communicating effectively

Ensure clear and regular communication with clients and their families to strengthen relationships and address concerns promptly. Consider other avenues to reach the family outside of the traditional ways: leverage social media to share videos, articles, and so on. By doing this, you will be sure to engage with the younger members of the family. Build trust by respecting client communication preferences. Always use secure channels and keep confidentiality top of mind when the nature of the communication warrants it.

STEP 6

Educating family members

58% of Canadians are not discussing inheritances with their heirs. Educating the entire family on inheritance and financial planning will empower your clients and reinforce your role as a family advisor.

STEP 7

Family meetings

Family meetings can help ensure that all family members are informed about the wealth transfer plan and their roles and responsibilities. Advisors can facilitate these meetings and help address any concerns or conflicts.



Read the explanatory document: [Estate planning: Do you know your parents' wishes?](#)

STEP 8

Teaming up with diverse advisors

Incorporate advisors of varying age groups in your practice to better connect with clients' family members across generations. A "family office" is designed to help families manage their wealth across generations, ensuring that their values and goals are preserved over time. For instance, pairing advisors from different generations can foster stronger relationships with clients and their children by enhancing relatability. Leveraging the expertise of specialized teams, such as the [iA Large Case Solutions team](#), can further differentiate your "family office" and enhance its effectiveness.

Empower your clients by collaborating with legal and tax professionals for province-specific estate planning. Position yourself as a knowledgeable resource—while your guidance is valuable, encourage clients to seek tailored legal and tax advice to ensure their wealth transfer strategy is both personalised and compliant.

By adopting these strategies, you can become an indispensable family advisor, foster long-term relationships and successfully navigate the complexities of wealth transfers.



From a financial approach to an emotional one

Transitioning between financial and emotional approaches can be challenging, especially when initiating discussions about wealth transfer and estate planning. To facilitate this process, introduce estate planning as a future topic in your initial service offer. This sets the stage for a smoother conversation when the time comes, providing a natural "icebreaker" for the subject. To foster a comfortable environment for all parties, acknowledge upfront that the upcoming discussion may touch on sensitive or emotional topics.



Progressive advisory approach by client age segment:

01**≤49 y/o**

Begin engaging spouse and adult children. Explore inheritance expectations, business succession plans and family discussions.

02**50–64 y/o**

Integrate estate planning into retirement strategy. Discuss investment/insurance options and involve loved ones.

03**65–74 y/o**

Strengthen estate and retirement plans. Consider shifting assets to segregated funds/insurance and hold first formal family meeting.

04**75+ y/o**

Advance asset conversion, update estate plan and conduct follow-ups with family and individual financial needs assessments.

4

Effective tactics for optimized wealth transfer

You can help manage wealth transfer effectively by using tactics that optimize assets and ensure a smooth transition aligned with your clients' wishes.

Here are some common approaches.

Understanding client behaviour and needs

Increased engagement

Faced with growing concerns, clients—especially in younger and wealthier segments—are contacting advisors more often and increasing their involvement in decision-making.

Action

If certain clients are less likely to reach out, take the initiative to connect with them. Proactively engaging them highlights your value and ensures their continued involvement, especially in a competitive market where competitors seek their attention.

Diversity of demand

Access to a wider variety of product choices is increasingly important. While traditional investments remain vital, 51% of clients have been exposed to alternative investments.⁸

Action

Offer your clients a diverse choice of investment types and complementary products, from the accumulation phase to disbursements and the wealth transfer.

More clients doing business with multiple advisors

Clients now work with 2.3 wealth managers on average, and 32% say that they plan to increase that number.⁹

Clients feeling underprepared

Despite valuing inheritance planning, 50% of clients still feel underprepared, which represents a strategic opportunity for you to engage more closely with first- and second-generation investors.¹⁰ Driven by market volatility, political instability, and inflation, the percentage of clients finding inheritance or wealth transfer planning complex increased from 31% to 45% in two years. Greater wealth doesn't mean better preparation for wealth transfer either. Around 37% to 39% of mass affluent, HNW, VHNW, and UHNW clients only feel somewhat prepared.¹¹

Action

It is important to adapt to the increased engagement and involve younger and wealthier clients in the decision-making process. While clients appreciate knowing you're in control, they also want assurance that you welcome their input.

⁹⁻¹⁰⁻¹¹⁻¹² EY, "2025 EY Global Wealth Research Report."

Designating client beneficiaries and successors

When planning wealth transfer, it's crucial that your clients identify the intended recipients, as this decision plays a pivotal role in shaping the transfer strategy. Ultimately, the decision should be guided by clients' personal values, financial goals and the desire to create a legacy.



Here are some common options and the considerations for each:

Spouse/common-law partner

Transferring wealth to a spouse or common-law partner is often straightforward due to favourable legal provisions and tax benefits. Many jurisdictions offer tax benefits or exemptions, making it an attractive choice for minimizing tax liabilities. Consider the spouse's financial management capabilities, especially if they are not actively involved in managing finances.

Beneficiaries (children or other family members)

Designating children or other family members as beneficiaries helps preserve the family legacy. Consider their financial maturity, potential tax implications and the transfer structure (e.g., trusts or inheritance). Clear guidelines can ensure responsible and sound use of the wealth.

Third party

Transferring wealth to third parties, such as business partners or friends, might be relevant for supporting someone outside the immediate family. Legally binding agreements are crucial to prevent disputes and ensure alignment with the individual's wishes.

Charity

Directing wealth to charities supports meaningful causes and provides tax benefits. Help clients research reputable charities that align with their personal values. Establishing a charitable trust or foundation can manage and distribute funds effectively.

Focusing on appropriate products and solutions

While drafting a will is an essential step in estate planning, it's just one aspect of a comprehensive strategy to honour a client's wishes. Standard estate settlement processes can fall short in addressing complex situations. Leveraging specific financial products can provide significant advantages and help ensure the intentions outlined in the will are fully realized.

Estate planning | More than just a transfer of money!

Estate planning is essential for protecting your clients' beneficiaries and optimizing their investment results. It can help as it:

- ensures last wishes are met
- simplifies settlement of the estate
- maximizes the inheritance value
- minimizes taxes at death
- minimizes legal expenses

1

Personal financial statement

2

Determine goals

3

Will / POA

4

Protection of loved ones

5

Estate protection plan

6

Tax reduction strategy

7

Revise and update regularly

Optimizing wealth transfers

Highlight to clients how effective accumulation and disbursement strategies can significantly increase the final amount transferred. Demonstrating this competence not only establishes your credibility but also underscores the value and benefits of partnering with you.

Maximizing individually held plans

Maximize contributions in registered and non-registered accounts, tailored to the client's profile and goals with products like mutual funds, segregated funds, bonds, GICs/GIFs or HISAs.

Life insurance can also be a powerful tool for tax optimization, offering tax-deferred growth and potential tax-free payouts, while diversifying the portfolio.

Government plans

Assess the benefits of delaying CPP and OAS to increase retirement income. Educating your clients on postponing can lead to higher monthly payments, enhancing financial security. Factor in the client's financial situation, life expectancy and retirement goals to decide the optimal timing.

What products are particularly interesting for retirement and estate planning?

The longstanding myth of a competition between mutual funds and segregated funds should be debunked. Pitting them against each other is short-sighted as both investment vehicles have their advantages. They are, in fact, complementary. The most important is to place clients, their needs and their best interests at the heart of the decision-making process. Integrating both funds is not only feasible but also highly beneficial.

Considering the type of employer-sponsored plans

Assess your client's employer-sponsored plans, such as registered pension plans or deferred profit-sharing plans. With only 38% of the workforce benefiting from employer-registered pension plans, most individuals depend on their personal savings. However, less than 40% of Canadian taxpayers contribute to RRSP or TFSA accounts, highlighting a significant gap in retirement preparedness.¹³



¹³ [Statistics Canada](#)

Products and solutions for successful wealth transfer

Individual Insurance, Savings and Retirement, Investia Financial Services, and iA Private Wealth offer a diverse range of products, including mutual funds, segregated funds, GICs, ETFs, and UMAs, to assist you in managing and transferring your client's wealth successfully.

Trusts

Trusts are a powerful tool for asset distribution, ensuring specific outcomes while accommodating individual preferences. They involve transferring assets—such as investments, homes, vacation properties, private company shares and family valuables—to a trustee, who manages them for beneficiaries. The trustee holds legal title, while beneficiaries use the assets according to the trust agreement. Trusts can address both straightforward and complex needs for clients. In general, there are two main types of trusts:

Inter vivos trusts/living trusts

Established during an individual's lifetime, these trusts offer significant control and flexibility over asset distribution. Benefits include facilitating distributions to children or spouse beneficiaries or charities, enabling income to be taxed at lower rates, providing creditor protection, and potentially avoiding probate fees. However, they may limit personal access to assets, incur administrative costs, and transferring assets into the trust can trigger tax liabilities.

Testamentary trusts

Allow individuals to pass specific assets to beneficiaries without allowing beneficiaries to gain control of the assets. The assets held are invested and managed by the trustee of the trust, with income and capital distributed to the beneficiaries in accordance with wishes as stated in the will. Advantages include control over asset distribution timing and addressing concerns about spendthrift or beneficiaries with disabilities. Disadvantages are maintenance costs and potential probate fees for assets funding the trust.

Other trust options

There are various types of trusts which you can utilize, each serving different purposes. Notably, a Henson trust is a discretionary trust specifically designed for beneficiaries with disabilities. It provides financial support without impacting their eligibility for government benefits, allowing trustees to manage and distribute funds as needed while ensuring continued access to social assistance programs.

Gifting

Gifting is a straightforward method for transferring wealth during one's lifetime, often used to support children or grandchildren with expenses like home purchases or education. However, gifting means losing control over the asset, which may not suit everyone. Concerns include how recipients will use the assets, potential impacts on their motivation and risks of the assets becoming part of matrimonial property or being exposed to creditors. To mitigate these issues, consider educating beneficiaries and consulting legal and tax advisors for protection strategies.

Products with Investia Financial Services

Elite Pools is a new product offering a wide range of benefits that will accelerate the growth of your practice while providing clients with a premium investment experience. The pools are fund-of-fund solutions that provide diversified exposure to specific asset classes. Comprised of leading strategies from top asset managers, each pool has been optimized by a team of institutional-calibre specialists.

Featuring preferred pricing, Elite Pools can be used individually or in any combination within your client's portfolios. Turnkey portfolios are also available for any client need. The combined use of the Elite Pools with Investia's rebalancing module simplifies advisors' lives and enhances the client experience.



Products with iA Private Wealth

The Unified Managed Account (UMA) delivers a customized investment experience, leveraging your client knowledge with specialized portfolio management.

Highlights include:

Premier strategies

Access a range of high-performing solutions from top investment firms

One account simplicity

Consolidate multiple investments into a single, easy-to-manage account

Flexible portfolios

Design portfolios to match any investor's needs with a variety of options

Veteran oversight

Benefit from expert management provided by seasoned industry professionals

Simple fee

Enjoy a transparent monthly fee that covers all aspects of portfolio management

Products with Individual Savings and Retirement

Segregated funds provide all the benefits of mutual funds but with a major advantage: they offer guarantees that protect the amounts invested against market downturns and a quick settlement at death.

The benefits of segregated funds in the context of wealth transfer:

Quick settlement at death

It is an invaluable advantage for beneficiaries to be able to obtain the sums payable within 10 business days of the holder's death, as this saves them from having to use their own money to meet the deceased's financial commitments.

No asset freeze of the estate

- Upon death, investments in segregated funds are swiftly paid to beneficiaries, bypassing the lengthy and costly estate process required for other investment types.
- Moreover, if a successor annuitant is designated in the contract, it seamlessly transfers to the successor—typically the surviving spouse—as the new owner and annuitant.

iA has been ranked #1 in net segregated fund sales in Canada since 2016 and #1 in gross sales since 2021.

Capital protection

Clients can opt for a guarantee that protects either 75% or 100% of their investments if the market value falls below the guaranteed amount at contract maturity or upon death.

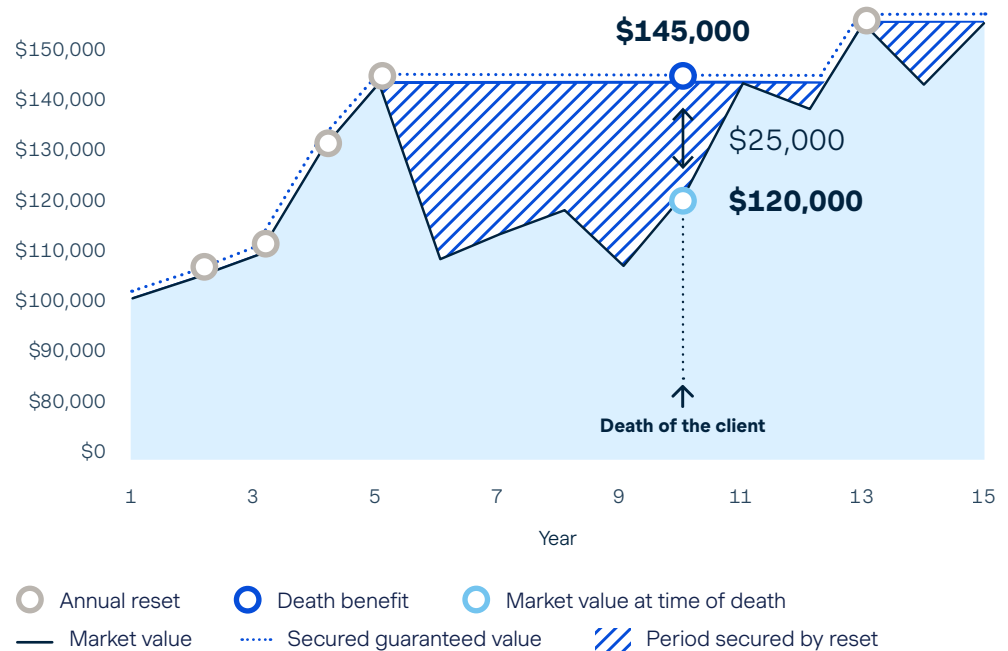
Protection of investment gains through resets

Clients can "lock in" gains during favourable market conditions to safeguard their investments against downturns. They can request up to four resets per year, ensuring their heirs receive the greater of the market value or the locked-in value at the time of reset.



Read the explanatory document:

[Growth and estate protection combined](#)



Hypothetical curve for illustrating the reset only.

Avoid probate fees

Clients can designate beneficiaries, who get paid directly in the event of a death claim. This makes it possible to avoid considerable fees associated with estate settlement, like accountant or notary fees for instance.

Protection against creditors

With a beneficiary designation, the investments may be protected from creditors throughout the client’s life and after their death.

Read the explanatory document:
[Creditor Protection](#)

Successor annuitant

A plan for distributing wealth is just as important as a plan for accumulating it. The successor annuitant designation can be a useful tool for your clients both in terms of tax optimization and to ensure their wishes are respected in terms of distribution.

Read the explanatory documents:
[Successor annuitant designation](#)
[FAQ - Successor annuitant designation](#)

Confidentiality

Segregated funds offer confidentiality as beneficiary designations are generally kept private and separate from the will. This can be appealing to people wanting to keep details of their estate or inheritance planning confidential.

Prestige preferential pricing

This is a great way to bolster your clients’ investments. Creating family groupings for your clients benefits more people and represents a great icebreaker to get to know your clients’ spouses and adult children. There are two investment scenarios:

SCENARIO 1

- Individual or family grouping with \$350,000 in segregated fund assets
- Net annualized return of 4.78%
- With the Prestige 300 fee reduction, net annualized return is 5.17%

1ST YEAR	+ \$1,339
OVER 10 YEARS	+ \$20,733
OVER 20 YEARS	+ \$67,396

SCENARIO 2

- Individual or family grouping with \$550,000 in segregated fund assets
- Net annualized return of 4.78%
- With the Prestige 500 fee reduction, net annualized return is 5.34%

1ST YEAR	+ \$3,060
OVER 10 YEARS	+ \$47,737
OVER 20 YEARS	+ \$156,492

Read the explanatory document:
[Prestige preferential pricing](#)



Products with Individual Insurance

How would you respond to clients who voice concerns such as “How can assets be distributed fairly if only one of my children wishes to take over the family business or the family cottage?” or “How to create liquidities?”.

Insurance is key in the wealth transfer planning process, as it offers several alternatives for investors to bypass estate probate and to provide certainty to beneficiaries. Permanent life insurance policies such as whole life and universal life can be used to effectively transfer wealth, before or upon death.

Read related article:

[Estate and Financial Planning Considerations: A Holistic approach \(p. 6-9\)](#)



iA PAR participating life insurance

iA PAR is more than just protection—it's an outstanding wealth transfer solution. The Estate version offers the client the opportunity to maximize long-term growth in both surrender value and death benefit, in addition to ensuring that they leave behind a tax-efficient legacy to their heirs.



Read the explanatory document:
[iA PAR - For a successful wealth transfer](#)

Tax optimization of wealth transfer strategies using iA PAR:

STRATEGIES IN WHICH CLIENTS ACT DURING THEIR LIFETIME

The intergenerational wealth transfer strategy

Once the policy is paid up and the person insured (the policyholder's child for instance) reaches legal age and is assigned ownership of the policy, they can benefit from the surrender value accumulated in the policy. Depending on how they choose to use it, the parent or grandparent who purchased the policy might also witness the benefits during their lifetime.



Read the explanatory document:
[Intergenerational wealth transfer strategy](#)

STRATEGIES TO IMPROVE ESTATE VALUE UPON DEATH

Estate bond strategy for individuals

This strategy allows for greater net estate value than traditional investments, with a higher internal rate of return:

- Maximizing payments made into the iA PAR policy allows for asset diversification for non-registered investments
- Returns generated grow tax-free during /the insured's lifetime
- Death benefit, together with the value of excess deposits made into the policy, is paid to the designated beneficiaries, without any tax impact



Read the explanatory document:
[Estate bond for individuals](#)

Insurance as an asset class

A strategy integrating a permanent life insurance policy into the client's financial plan can also be considered to improve diversification, while offering an attractive after-tax rate of return:

- The need for insurance remains the primary reason for policyholders to purchase life insurance. With this strategy, life insurance does meet the need for protection, but is also used to diversify financial assets during the insured's lifetime and at death
- Insurance cash surrender values can serve as a source of liquidity and allow for additional strategies if need arises
- This product can be very attractive for individuals and for shareholders of corporations



Read the explanatory document:
[Insurance as an asset class](#)

Estate bond strategy for corporations:

- Reduce passive income to protect the small business deduction (SBD)
- Diversify corporate assets under management
- Provide an increased net estate value thanks to the Capital Dividend Account (CDA)



Read the explanatory document:
[Estate bond strategy for corporations](#)

Joint tenancy with right of survivorship (JTWROS)

- Allows multiple people to co-own an asset, such as a vacation property
- Upon the death of one owner, the asset automatically transfers to the surviving owners, bypassing the estate and avoiding probate fees

Note

Quebec residents cannot use JTWROS, since an automatic right of survivorship does not exist under Quebec law. Consult with a tax specialist before suggesting this to your clients.

Combining solutions for maximum optimization

The idea here is not to make a choice among these products and solutions, but to consider them as tools that you can bundle to maximize wealth transfer optimization. Taking advantage of mutual funds, segregated funds, insurance products and trusts (whether living or testamentary) can be a winning combination in a complementary approach.

Offering comprehensive tax strategies

- Tax advice is often handled by external parties, but you could become a pivotal part of your clients' financial lives if you were to offer integrated tax guidance. Such a comprehensive approach not only strengthens client loyalty and trust but also positions your practice as a holistic financial service provider and unlocks new revenue opportunities.
- By implementing effective tax strategies, you can help substantially reduce the tax burden on heirs, allowing a greater portion of the estate to be preserved for beneficiaries. Engaging in tax planning not only enhances the value passed on but also increases your opportunities to maintain relationships with your clients' beneficiaries, thereby ensuring long-term business continuity.

Strategic philanthropy: guiding wealth transfer toward meaningful change

Philanthropy is pivotal in wealth transfer, helping to establish a legacy while also reducing tax liabilities. Integrating philanthropy into estate planning ensures contributions are purposeful and sustainable, fostering shared values. This approach enhances societal contributions and develops leadership skills among younger family members, effectively meeting philanthropic goals.

Strategic philanthropy involves financial planning to maximize charitable impact while safeguarding financial security. Clients might donate appreciated assets to gain tax benefits and reduce taxable income. A charitable remainder trust provides lifetime income while benefiting charities. Planned giving, like bequests in wills, supports causes without affecting current finances. Aligning philanthropy with financial goals allows meaningful contributions and wise resource management, ensuring an impactful legacy.

Managing large inheritances—an expert team to assist you

The [iA Large Case Solutions program](#) supports advisors with clients requiring more complex financial strategies for their individual insurance and savings products. Our team of experts offers customized, simple, high-performance solutions that enable advisors to meet the specific estate planning, tax optimization and asset protection needs of their eligible clients.



Providing education and support

You can educate your client's entire family on inheritance and financial planning to empower them and reinforce your role as a family advisor. How so? By providing personalized education and support to heirs, you can help them grasp their roles and responsibilities in the wealth transfer process. Tailor your approach to include financial education, estate planning guidance and insights into wealth management, ensuring each heir is well prepared to manage their inheritance with confidence and competence.

Organizing educational sessions, providing informative materials and encouraging open discussions about inheritance planning are all valuable strategies. You can also leverage social media to share articles and reach the family outside of traditional ways to promote thinking about financial planning as part of everyday life and spark discussions. iA offers a wide array of educational resources, including podcasts and webinars designed to enhance client engagement and knowledge. We encourage you to take advantage of these complimentary tools to educate and inspire your clients and to foster deeper connections and increased involvement.

Communicating with the family members based on their communication preferences shows that you are invested in customizing your approach when it comes to financial planning and estate planning and that your relationship with your clients matters.



Tips and resources – The advisor's checklist

1	How are you staying informed about the latest trends and regulations in wealth transfer, including tax implications and legal considerations?	→	Tip Regularly review industry publications, attend relevant seminars and consult with legal and tax experts to stay updated.
2	How are you planning on building relationships with high-net-worth individuals and families who are likely to be involved in significant wealth transfer events?	→	Tip Focus on networking at exclusive events, offering personalized services and maintaining consistent communication. Prestige preferential pricing , especially Prestige groupings, is also a valuable ally for developing your network as well as iA PAR to get closer to high-net-worth clients.
3	What specialized services can you offer to cater to the complexities of managing large inheritances, such as estate planning, tax optimization and asset protection?	→	Tip Develop a suite of services that address these needs and ensure your team is well-versed in these areas. The iA Large Case Solutions program is a support service for advisors with clients who require more complex financial strategies in terms of sales concepts and tax optimization of individual insurance and savings products. Our team of experts offers customized, simple, high-performance solutions that enable advisors to meet the specific needs of clients who meet one of the eligibility criteria.
4	How do you ensure that women's perspectives and preferences are incorporated into your conversations when you talk with them?	→	Tip Actively listen to their concerns, involve them in decision-making and tailor your advice to their specific needs.

5	What strategies can you develop to empower women to take an active role in financial decision-making?	→	Tip Provide educational resources, host workshops and encourage open discussions about financial planning.
6	How can you invest time in understanding family roles, relationships, goals and potential conflicts to tailor your approach effectively?	→	Tip Conduct family meetings, use questionnaires to gather information and maintain regular check-ins with all family members.
7	What comprehensive advice can you provide that extends beyond financial planning to include estate planning, tax strategies, philanthropy and other wealth management aspects?	→	Tip Offer holistic advice that covers all aspects of wealth management and work with other professionals to provide integrated solutions.
8	How can you educate the entire family on inheritance and financial planning to empower your clients and reinforce your role as a family advisor?	→	Tip Organize educational sessions, provide informative materials and encourage open discussions about inheritance planning.
9	How can you facilitate family meetings to ensure that all family members are informed about the wealth transfer plan and their roles and responsibilities?	→	Tip Schedule regular family meetings, create clear agendas and ensure all members can voice their concerns. When having all family members in person is not possible, virtual meetings are an option to consider for conducting meetings.
10	How can you incorporate diverse advisors within your practice to better connect with clients' family members across generations?	→	Tip Include advisors of varying age groups and backgrounds to relate better to different generations within your clients' families.

For a comprehensive list of wealth transfer resources, please visit the advisor site. These materials are designed to assist you and educate your clients on various key themes.

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iA Financial Group – A solid, trusted company

With over 130 years of history in the insurance and wealth management businesses, iA Financial Group is a name that inspires trust for its clients. Founded in 1892, iA has always succeeded in adapting its practices and product offering to changing market needs in order to meet the needs of clients.

Our mission is to ensure the financial wellbeing of our clients by offering them personal insurance coverage and investment solutions to help them achieve their personal goals.

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