



SSC # 87 – SEGREGATED FUNDS: CREDITOR PROTECTION AND ESTATE PLANNING

This course is eligible for:

1.0 Life & A&S CE Credits for BC, SK, MB & ON.

1.0 Life ONLY CE Credits for AB.

Target Audience

Segregated funds sit at the intersection of insurance, investment management, and estate planning — a confluence that means advisors from a wide range of licensing backgrounds and professional designations may recommend, sell, or advise on these products. This course is designed for any licensed professional who includes segregated funds in client recommendations or who advises clients on creditor protection and estate planning strategies involving insurance-based investment products.

Primary Audience

- Licensed accident and sickness (A&S) insurance advisors authorised to sell segregated fund contracts
- Certified Financial Planner (CFP) and Qualified Associate Financial Planner (QAFP) professionals
- Chartered Life Underwriter (CLU) and Certified Health Insurance Specialist (CHS) designate
- Canadian Investment Regulatory Organization (CIRO) registrants who also hold A&S insurance licences
- Financial planners operating under provincial financial planning title protection legislation

Secondary Audience

- Estate lawyers advising high-net-worth clients on asset protection strategies
- Chartered Professional Accountants (CPAs) providing integrated tax and estate planning
- Bank branch managers overseeing referrals to in-branch insurance advisors
- Insurance carrier compliance and product development teams

Course Purpose

This course equips licensed Canadian financial advisors with the knowledge and analytical frameworks necessary to recommend segregated funds appropriately in creditor protection and estate planning contexts. Participants will learn to evaluate when seg fund features create genuine client value, identify the legal and regulatory boundaries of creditor protection, perform cost-benefit analyses comparing seg fund costs to probate savings, and document suitability in compliance with the Client Focused Reforms. Upon completion, participants will be able to integrate segregated fund strategies into holistic financial plans with confidence and precision.

Learning Objectives

The following learning objectives are structured according to Bloom's revised taxonomy, progressing from foundational knowledge through application, analysis, and evaluation. Each objective is measurable and directly assessed in the final examination. Upon successful completion of this course, participants will be able to:

1. **Distinguish** segregated funds from mutual funds, including the insurance features that create creditor protection and estate planning advantages.
2. **Evaluate** the conditions under which creditor protection applies to segregated funds, including family-class beneficiary requirements, fraudulent conveyance limitations, and CRA exceptions.
3. **Apply** segregated fund estate planning strategies, including probate bypass, beneficiary designations, and annuity settlement options.
4. **Analyse** the tax treatment of segregated funds in registered and non-registered accounts, including annual income allocation, maturity guarantee taxation, and death benefit implications.
5. **Assess** the suitability of segregated fund recommendations under the Client Focused Reforms, balancing insurance features against higher costs.
6. **Implement** best practices for seg fund documentation, annual review, and client communication.