

Canlife UK Property Funds: Questions and Answers

What has caused the WS Canlife UK Property ACS to stop trading and close?

Waystone Management (UK) Limited have confirmed: *'The reason for terminating the Sub-fund and winding up of the Scheme is that the ACS Manager has been advised of the intention of the overwhelming majority of the unitholders in the Sub-fund of the Scheme to redeem their holdings. The Sub-fund of the Scheme currently has approximate assets under management of [£254 million]. However, following the redemptions, the assets under management will be in the region of £102 million.*

Following discussions with the investment manager, Canada Life Asset Management Limited (the "Investment Manager") in our opinion, there is no reasonable expectation of foreseeable growth as there is inadequate demand for the Sub-fund of the Scheme. Additionally, the ACS Manager considered a scheme of arrangement for the ACS however a suitable fund with a similar investment objective and policy could not be identified. The ACS Manager therefore considers that the Sub-fund of the Scheme would no longer be commercially viable.'

This means that Canada Life Asset Management and Waystone Management (UK) Limited believe that the fund will be too small to manage effectively to deliver the best outcomes for our customers.

Who are Waystone Management (UK) Limited?

Waystone Management (UK) Limited carry out all fund administration, which includes placing dealing instructions, providing fund literature and taking calls in relation to the WS Canlife UK Property ACS.

Which Life and Pension funds offered by Canada Life are affected?

The following funds invest in the WS Canlife UK Property ACS and effective immediately, are not trading and will close.

Onshore Life funds and Onshore Investment Bond products impacted:

Fund Name	ISIN Code	Product
Canlife UK Property LS5	GB00BBMJ8M98	Select Account
Canlife UK Property LS3	GB0000123736	Flexible Investment Bond (Deferred Option) Total Access Bond
Canlife UK Property LS4	GB0032040254	Flexible Investment Bond (Level Option) Select Investment Bond
Canlife UK Property LS2	GB0005638159	Manulife Flexible Cover Plan

Pension funds and products impacted:

Fund Name	ISIN Code	Product
Canlife UK Property	GB00BF77WV36	The Retirement Account
Canlife UK Property Income	GB00BFV9H981	The Retirement Account
Canlife UK Property PS4	GB0000137637	Annuity Growth Account Trustee Investment Plan
Canlife UK Property PS5	GB00BV9GRZ97	Flexible Drawdown Plan Pension Investment Plan

Canlife UK Property Funds: Questions and Answers

		Pension Annuities (formerly Equitable Life)
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No International Investment Bond products or funds are impacted.

What is the impact of the fund closure of WS Canlife UK Property ACS on the Life and Pension funds Canada Life offers?

With immediate effect, trading has stopped in our life and pension funds because of the fund closure of WS Canlife UK Property ACS. This means that any transactions that are in flight may be stopped. We will be in touch with affected customers as to how we will proceed.

How does this affect my policy if I am invested in the Canlife UK Property fund?

Your policy will continue to perform in line with the performance of the property fund held. You will not be able to switch out of the affected funds or cash in the part of your policy that is invested in the fund. The Canlife UK Property fund will remain in your policy until the fund has been fully closed.

Will this affect my regular withdrawals from my policy?

Existing withdrawals may be impacted if there are no other funds available that can be sold to facilitate the withdrawal. We will be in contact with customers who have withdrawals that are affected by this fund closure to make alternative arrangements where possible.

There may be some instances where we will be unable to facilitate the withdrawal.

What will happen to my regular charges taken from my policy?

Existing charge agreements might be impacted if there are no other funds available that can be sold to facilitate taking the charge. We will be in contact with customers who have charges that are affected by this fund closure to make alternative arrangements where possible.

There may be some instances where we will be unable to facilitate taking the charge.

What will happen if I need to take a one-off withdrawal from my policy?

Future one-off withdrawals may be impacted if there are no other funds available that can be sold to facilitate the withdrawal. There may be some instances where we will be unable to facilitate the one-off withdrawal.

What will happen if I need to fully encash my policy?

Please be aware that because of the fund closure and the restriction on trading, we will not be able to facilitate a full encashment of the policy if you hold the **Canlife UK Property fund**.

When will I be able to get my money out of the Canlife UK Property fund?

Waystone Management (UK) Limited has confirmed that the first payment out (also known as a 'distribution') from the fund is expected in January 2024. Once this distribution has been received from the fund, we will process this on our systems and write out to you to confirm the value of the distribution. The distribution amount will be invested as per the table below depending on the product you are invested through. When the money has been applied, you will be able to sell, switch and withdraw as usual.

Canlife UK Property Funds: Questions and Answers

Product	Where will your money go once a distribution is received?
Select Account	Canlife Money Fund
Flexible Investment Bond (Deferred Option) Total Access Bond	Canlife Money Fund
Flexible Investment Bond (Level Option) Select Investment Bond	Canlife Money Fund
The Retirement Account	Cash Account
Annuity Growth Account Trustee Investment Plan	Canlife Money Fund
Flexible Drawdown Plan Pension Investment Plan Equitable Life Annuities	Canlife Money Fund
Manulife Flexible Cover Plan	Canlife Money Fund

Please note that early indications confirm that the WS Canlife UK Property fund closure is expected to take roughly 2 years to complete. This is a best endeavour estimate and could change.

When will trading resume on the Canlife UK Property fund?

Trading is not expected to resume on the Canlife UK Property fund. All property will be sold within the WS Canlife UK Property ACS portfolio and payments out (also known as ‘distributions’) will be made to policyholders and applied to products as per the below table. We will write to you to confirm when a distribution has been applied to your account.

Product	Where will your money go once a distribution is received?
Select Account	Canlife Money Fund
Flexible Investment Bond (Deferred Option) Total Access Bond	Canlife Money Fund
Flexible Investment Bond (Level Option) Select Investment Bond	Canlife Money Fund
The Retirement Account	Cash Account
Annuity Growth Account Trustee Investment Plan	Canlife Money Fund
Flexible Drawdown Plan Pension Investment Plan Equitable Life Annuities	Canlife Money Fund
Manulife Flexible Cover Plan	Canlife Managed Fund

I was never aware this could happen, why is this allowed?

The circumstances in which Canada Life may delay valuations, fund switching, and paying claims are set out in your policy provisions.

Canlife UK Property Funds: Questions and Answers

Am I going to lose my money if I can't take it out?

Your money will remain invested in the Canlife UK Property fund while the fund closes. We will continue to publish a unit price monthly, which will be reflected in the overall value of your policy.

Due to the nature of unit-linked investments your investment can fall as well as rise in value and you may not get back the full amount you invested.

How much will I get when I receive payments out (also known as 'distributions') from the Canlife UK Property fund?

The amount you get back will depend on the value of the property sales within the fund, how much of the portfolio the sales relate to and how many units you hold. We will write out to you to tell you the value of any distributions made to you and the applicable distribution unit price.

Can I make new investments into the fund while there is a suspension in place?

No, we are not allowing any trading in the fund, which means you cannot buy (or sell) units in the fund.