

# EARLY REDEMPTION CHARGE (ERC) RECOVERY CREDIT REQUEST FOR A REDEMPTION FROM ANOTHER INSTITUTION

## For Guaranteed Investment Fund and Class Plus 3.0 Contracts

Use this form to make an ERC recovery credit request. To be eligible for a recovery credit the required documentation must be received by Empire Life within 30 days of the date the redemption proceeds are credited to the Empire Life contract.

**Throughout this form:**

“**early redemption charge**” refers to the deferred sales charge a financial institution imposes when a client redeems Low Load or Deferred Sales Charge mutual/segregated funds prior to the maturity of the applicable withdrawal fee schedule, or charges directly related to redeeming a GIC before its maturity. Administrative fees and costs imposed by a financial institution related to transfers out, closing of an account and other related costs are not included.

“**Empire Life**” means The Empire Life Insurance Company.

“**Empire Life contract**” means the Empire Life Guaranteed Investment Fund or Class Plus 3.0 policy or application listed below.

“**prior investment**” means the owner’s segregated fund, mutual fund or GIC with, or formerly with, the financial institution named below.

“**recovery credit**” means the amount equal to the early redemption charge credited to the Empire Life contract.

“**required documentation**” means this properly completed and signed form, a transaction confirmation showing the redemption of the prior investment and the early redemption charge by the prior financial institution, and a cheque made payable to Empire Life equal to the early redemption charge.

Contract Details	
Owner name	Joint owner name
Empire Life contract/application number	

Prior Investment Redemption Details (copy of redemption transaction confirmation is attached)
Name of financial institution

Owner Acknowledgement and Authorization
<p><b>I understand and acknowledge that:</b></p> <ul style="list-style-type: none"><li>• I am redeeming part or all of the prior investment and requesting the proceeds be credited to my Empire Life contract.</li><li>• The redemption of the prior investment will reduce or terminate any contractual death benefit guarantees, maturity benefit guarantees and reset benefits, if any, applicable to the prior investment, in accordance with the prior investment’s contractual terms and conditions.</li><li>• The redemption will result/has resulted in an early redemption charge.</li><li>• I am redeeming part or all of the prior investment and crediting the proceeds to my Empire Life contract because it is more suitable for me given my current investment objectives and needs.</li><li>• The death benefit guarantees, maturity benefit guarantees and reset benefits applicable to my Empire Life contract are described in the Empire Life Information Folder and Contract Provisions.</li><li>• <b>I can refer to to the Empire Life Information Folder and Contract Provisions for more information about purchase options.</b></li><li>• My financial advisor has agreed to reimburse the amount of the early redemption charge as a credit to my Empire Life contract, which will appear as a ‘deposit’ of segregated fund units on the Transaction Confirmation Notice.</li><li>• I am eligible for a recovery credit if Empire Life receives the required documentation within 30 days of the date the proceeds are credited to my Empire Life contract. Empire Life will process the recovery credit within 3 business days of receiving the required documentation.</li><li>• The redemption of the prior investment and the investment of the recovery credit may result in tax consequences. I have obtained/will obtain independent professional advice as to the tax implications related to my particular circumstances, including:<ul style="list-style-type: none"><li>• If my Empire Life contract is registered, I understand the recovery credit will not be treated as income or as a contribution by Empire Life, in accordance with current Canada Revenue Agency rulings; and</li></ul></li></ul>



## Owner Acknowledgement and Authorization (cont'd)

- If my Empire Life contract is non-registered, I understand the recovery credit may be considered income under paragraph 12(1)(x) of the Income Tax Act (Canada) and it is my responsibility to correctly report this income for personal income tax purposes. I understand that if I make an election under sub-section 53 (2.1) of the Income Tax Act (Canada) to reduce the adjusted cost base ("ACB") of the segregated fund units in my Empire Life contract it is my responsibility to provide evidence to Empire Life of such election to enable Empire Life to correctly adjust the ACB of the segregated fund units in my Empire Life contract to ensure correct reporting for income tax purposes.
  - My financial advisor has carefully reviewed the important information in this form with me.
  - I understand the consequences of redeeming the prior investment and subsequent allocation of the recovery credit. **I acknowledge that Empire Life is not responsible for any such consequences.**
  - **Empire Life reserves the right to decline any early redemption charge recovery credit request or adjust any recovery credit amount based upon review of the required documentation.**
- I authorize:**
- My financial advisor to reimburse the early redemption charge.
  - The allocation of the recovery credit to the segregated fund units in my Empire Life contract in accordance with the instructions set out in this form.

## Recovery Credit Investment Instructions

Empire Life Segregated Fund Name	Segregated Fund Code (NL option fund codes only)	Amount (%)
		%
		%
		%
		%
<b>TOTAL</b>		100%

If there is a discrepancy between the fund name and the fund code, the fund code will be used.

**Signature of owner** (or first authorized signature for corporate owner)

X

Date (dd/mmm/yy)

**Signature of joint owner** (or second authorized signature for corporate owner)

X

Date (dd/mmm/yy)

## Advisor Declaration and Acknowledgement

I recommended to the above owner(s) that they redeem the prior investment and apply the proceeds to the Empire Life contract.

I have carefully reviewed with the owner(s) and explained to them, the important information in this form.

In order for the owner(s) to be eligible for a recovery credit, Empire Life must receive the required documentation within 30 days of the date the redemption proceeds are credited to the Empire Life contract.

If the owner(s) have chosen a NL fund code, the MGA has agreed to participate in the NL early redemption recovery program.

**Advisor signature**

X

Date (dd/mmm/yyyy)

Advisor name

## Send the completed form to:

### By mail:

Empire Life  
259 King Street East  
Kingston ON K7L 3A8

**By fax:** 1 800 920-5868

**By email:** investment@empire.ca