

EARLY REDEMPTION CHARGE (ERC) RECOVERY CREDIT REQUEST FOR A REDEMPTION FROM AN EXISTING EMPIRE LIFE CONTRACT

Use this form to make an ERC recovery credit request on a redemption from an existing Empire Life contract. 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.

Transfers to/from the same product (e.g. from a GIF contract into a GIF contract) do not qualify for ERC recovery credits.

Transfers to/from CI Empire Life Concentric GIF contracts or Canoe EL Protection Portfolios do not qualify for ERC recovery credits.

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 an existing Empire Life contract or application listed below.

“**prior investment**” means the owner’s segregated fund, mutual fund or GIC with, or formerly with Empire Life.

“**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, and a cheque made payable to Empire Life equal to the early redemption charge.

Owner name	Joint owner name
Empire Life contract number for redemption	Empire Life contract/application number to be credited

Owner Acknowledgement and Authorization:

I understand and acknowledge that:

- I am redeeming part or all of the prior investment and requesting the proceeds be credited to my Empire Life contract.
- 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. To proceed with this ERC Recovery Credit request, the market value of my current contract must be greater than the death benefit guarantee of my current contract.
- The redemption will result/has resulted in an early redemption charge.
- I am redeeming part or all of the prior Empire Life investment and crediting the proceeds to my Empire Life contract because it is more suitable for me given my current investment objectives and needs.
- 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.
- 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.
- 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.
- 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:
 - If my 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
 - **If my 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.**

Owner Acknowledgement and Authorization (cont'd) :

I understand and acknowledge that:

- 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 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 (%)
		%
		%
		%
		%
TOTAL		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.

The MGA has agreed to participate in the NL early redemption recovery program.

Advisor signature

X

Date (dd/mmm/yy)

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