

## RRSP TAXATION

### Immediate tax deductions

Every dollar you contribute to an RRSP, within your RRSP contribution limit, reduces your taxable income for that year. This reduces the amount of tax you pay and is especially beneficial if you are in a high marginal tax bracket.

### Tax-sheltered growth

The investment growth in your RRSP is sheltered from tax. That means you don't have to pay taxes on interest, dividends or capital gains from your RRSP investments while the funds remain in the RRSP. Over the years it could mean a lot more money in your pocket to fund the retirement you want.

### Spousal contributions

Another way to reduce your overall tax bill may be to make a spousal contribution. The higher-income spouse can contribute to the lower-income spouse's RRSP. The contributing spouse claims the tax deductions. Unless the money is withdrawn too early, the lower income spouse pays the tax when the money is withdrawn.

### Interested in an RRSP loan?

An RRSP loan can help you "catch up" on your retirement savings and maximize your annual RRSP contributions. With our RRSP Loan Program, you can apply for a loan for any amount as long as you have the contribution room. You can also defer the payments up to six months so if you're getting a tax refund, you can use it to pay down part of the loan before your payments even start.

**The Empire Life Insurance Company**  
259 King Street East, Kingston, ON K7L 3A8

The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products.

Our mission is to make it simple, fast and easy for Canadians to get the products and services they need to build wealth, generate income, and achieve financial security.

Follow us on social media @EmpireLife or visit [empire.ca](http://empire.ca) for more information, including current ratings and financial results.

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A description of the key features of the individual variable insurance contract is contained in the Information Folder for the product being considered. **Any amount that is allocated to a Segregated Fund is invested at the risk of the contract owner and may increase or decrease in value.**

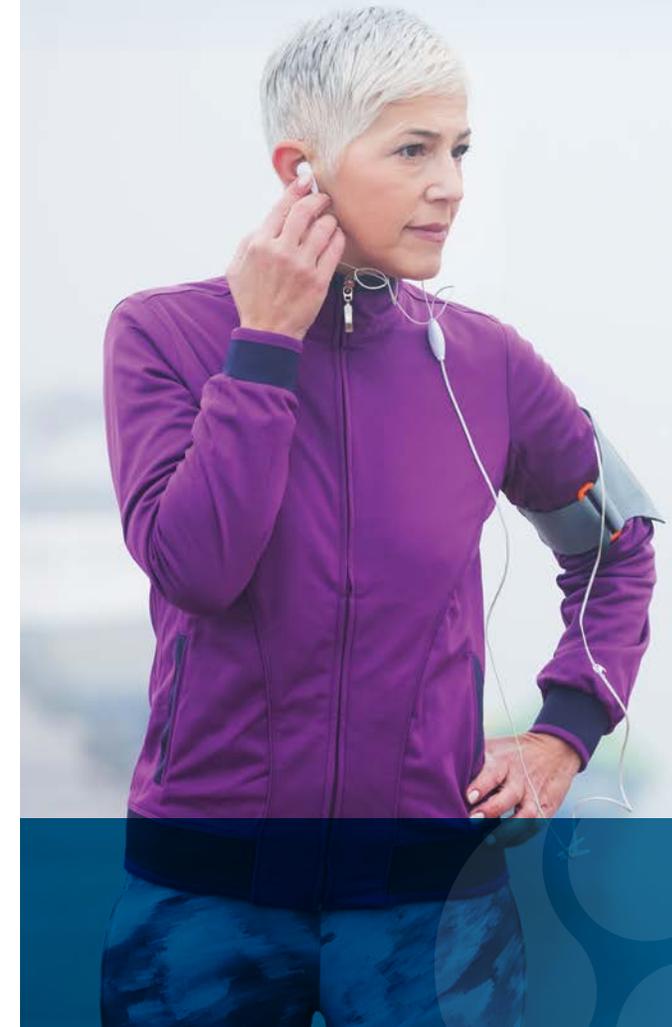
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[empire.ca](http://empire.ca) [info@empire.ca](mailto:info@empire.ca) 1 877 548-1881

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# NOT ALL RRSPs ARE THE SAME



## GET THE SEGREGATED FUND ADVANTAGE

If you only contribute to an RRSP issued through a bank, you may be limiting your options. Segregated funds contracts offered by life insurance companies provide benefits and guarantees which may not be available through other institutions.

Here are some reasons to consider a segregated fund RRSP from Empire Life.

### a) Powerful guarantees

If you buy a traditional mutual fund, there are no guarantees and you may lose money in a market downturn. Empire Life segregated fund contracts offer guarantees on maturity and at death. While your investment may still go up or down, if you hold a segregated fund until maturity (or until death), your net deposit is protected at either 75% or 100%<sup>1</sup> depending on the contract you have selected.

### b) Resets lock-in growth

Guarantees become even more powerful when they are reset. Depending on your Empire Life segregated fund contract, the guarantees may be reset<sup>2</sup>. Resets lock-in any market gains which increases your guaranteed values.

<sup>1</sup>The maturity and death benefit guarantees are reduced proportionately for any withdrawals.

<sup>2</sup>Final reset on Annuitant's 80th birthday.

### c) Estate planning advantages

Do you wonder how to take care of your family in the event you pass away? Segregated funds may offer unique estate planning advantages.

By naming a beneficiary, the proceeds of your contract will be paid out quickly and privately upon your death, bypassing probate and the estate settlement process.

Your contract may be protected from seizure by creditors if you name your spouse, child, parent or grandchild as the beneficiary, or if you name an irrevocable beneficiary. This feature is especially important for business owners and professionals.

### d) Solid, long-term performance

We have been managing segregated funds for over 50 years. That's experience you can count on. Our investment style and philosophy is focused on attractively valued, high-quality businesses, with a focus on capital preservation.

### e) Consumer protection

The Empire Life Insurance Company is a member of Assuris. Assuris is the not for profit organization that protects Canadian contractholders in the event their life insurance company fails.

Details about Assuris' protection are available at [www.assuris.ca](http://www.assuris.ca) or by calling the Assuris Information Centre at 1 866 878-1225.

## WHAT IS A SEGREGATED FUND?

Segregated funds are available through insurance companies as the investment option of an insurance contract. The assets of investors with similar objectives are pooled together and are kept separate from the general assets of the insurance company.

Segregated funds offer benefits that traditionally come with insurance contracts, including maturity and death benefit guarantees. You don't buy the fund units directly, but the units are used to determine the benefit value of your contract.

### Empire Life segregated funds offer:

- Death Benefit and Maturity Benefit Guarantees<sup>1</sup>
- Resets on guarantees to lock-in any market gains<sup>2</sup>
- Estate planning benefits such as probate bypass when a beneficiary is named
- Potential for creditor protection
- Over 50 years of solid investment fund performance
- Consumer protection
- Chose from a variety of investment options

**Empire Life: the natural choice for your RRSPs and your investment needs.**