

EMPIRE LIFE INFORMATION CIRCULAR

DATE: January 21, 2013

Nº. 2013-06

CATEGORY : INVESTMENTS

TO : Managing General Agents, Associate General Agents, Brokers,
General Agents, Independent Financial Advisors and National Accounts

SUBJECT : Empire Class Segregated Funds December 31, 2012 Investment Statements

This Information Circular applies to all Empire Class Segregated Fund Contracts.

Mailing dates The year-end Customer Investment Statements for Empire Class Segregated Fund Contracts will soon be mailed. Advance advisor statement copies will be sent beginning January 25, 2013 and customer statements will be mailed starting January 29, 2013.

What's in the Package In addition to the statements, customers will receive the following inserts:

- a letter from our President, Les Herr (copy attached)
- an Investment Update
- a letter outlining the changes to our Class and Class Plus product

A PDF of these statements will also be available on the Business Centre on January 28, 2013.

Segregated Fund Guarantee Reporting The Maturity and Death Benefit Guarantee amounts are displayed along with the contract's Maturity Date in the Additional Contract Details section. Under the terms of the contract, the customer will receive the higher of the Guaranteed minimum amount and the market value of the Segregated Funds at maturity or death.

Things you should know about the statements

- The Class Plus Fee on Class Plus contracts was calculated on the last valuation day of 2012 and withdrawn on the first valuation day of 2013. As a result, the Class Plus Fee transaction will not appear on this year end statement but will appear on the 2013 semi annual statement.
- For Class Plus contracts, the Maximum Withdrawal Allowance or the Lifetime Withdrawal Amount (LWA) is calculated and displayed regardless of the plan type. Payments are governed by the appropriate pension legislation.
- On the RRSP statements, the year-to-date contributions for the first 60 days and the remainder of the year are displayed under the Contributions Summary section.

- On Income Plan statements, the 2013 minimum annual payment amount and the maximum annual payment amount (for locked in plans) are displayed under the Income Fund Payment section.
- On statements for contracts that hold Class Plus funds, the Class Plus Year End Detail Information section displays the new 2013 values for the Bonus Base Amount, the Income Base Bonus Amount, the Income Base Amount, and the Maximum Withdrawal Allowance or the Lifetime Withdrawal Amount (LWA).
- A customer has 30 days in which to contact their advisor of any discrepancy on their statements.

Questions If you have any questions on the year-end Class investment statements, you can call our customer service team at 1 888 698-5554, Monday to Friday 8:30 a.m. to 8 p.m. EST and in Quebec from 8:30 a.m. to 5 p.m.

Reference **Carol Anne Bracciodieta**, Director, Investment Operations, Customer and Dealer Services