

EMPIRE LIFE INFORMATION CIRCULAR

DATE: July 16, 2012 **Nº. 2012-18**

CATEGORY: INVESTMENTS

TO: Managing General Agents, Associate General Agents, Brokers, General Agents, Independent Financial Advisors

SUBJECT: **Empire Class Segregated Funds June 30, 2012 Investment Statements**

Semi-Annual customer Investment Statements for Empire Class Segregated Funds contracts will be mailed soon. Advance customer statement copies will be sent on July 19, 2012 to Dealers (MGAs) and Representatives (advisors), and customer statements will be mailed on July 25, 2012.

In addition to the statements, customers will receive an Investment Update insert.

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

Summary of Changes

- The advisor's email address is now included on the statement
- The Rate of Return section is displayed on all Class statement copies (customer and advisor)
- Statements no longer contain references to Book Value and Average cost
- The Excess Withdrawal Alert (EWA) indicator is shown as On or Off for Class Plus
- Class Plus anniversary date is now shown
- The Remaining Lifetime Withdrawal Allowance (LWA) is now shown
- The Glossary of Terms has been modified to reflect Class Plus details
- Nominee account statements are going to the customer for the first time and will appear as non-registered savings plans, regardless of tax type

Other things you should know about the statements

- The Investment Summary pie chart does not appear if there is only one fund in the account
- In the investment summary pie chart, funds that are less than 4% are shown as "other"
- Statements will not display any details for Income Distribution, Capital Gain or Capital Loss transactions
- The following values are not part of the June (semi-annual) statements: Bonus Base Amount, Income Base Amount, Income Base Bonus Amount, Adjusted RRIF Minimum
- A definition of terminology used on the statement is located under **Other Important Information**
- The customer has 30 days in which to contact their advisor about a discrepancy in their statement(s)
- MGA and advisor copies will now be printed in the customer's language preference

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

