

# GUARANTEED INVESTMENT FUNDS

## The costs you pay

## The value you receive



Empire Life Guaranteed Investment Funds provide you with valuable benefits including professional portfolio management and insurance guarantees. Like all investments, your Guaranteed Investment Funds have costs. The costs associated with these benefits are included in the **Management Expense Ratio**.<sup>1</sup>

### The value you receive

The Management Expense Ratio (MER) represents the cost associated with managing and operating each fund and pays for the maturity and death benefit guarantees. You do not directly pay for the MER as it is paid from the fund every day before the unit value is calculated. The MER varies depending on the fund you choose and consists of these components:

- **Management fee:** Charges related to professional investment management and administration of a fund. Includes commissions paid to your advisor for providing you with professional financial advice and service.
- **Operating expenses:** Fees and charges necessary for a fund to operate. Includes legal, audit, custodial and safekeeping fees and charges, bank service and interest charges and applicable taxes and costs related to regulatory compliance.
- **Insurance fee:** Guaranteed Investment Funds provide valuable maturity and death benefit guarantees to protect your principal during market downturns. Choose the level of protection that best suits your needs – either 75% or 100% of deposits.<sup>2</sup> The Insurance fee varies depending on the guarantee level and fund you choose. The death benefit guarantee<sup>3</sup> is automatically reset every year to lock-in market growth and increase your guaranteed amount.



### The costs you pay

Sample investment: \$1,000

<b>Management Fee</b>	2.10%	\$21.00
<b>Operating Expenses</b>	0.23%	\$2.30
<b>Insurance fee</b>	0.50%	\$5.00
<b>MER</b>	2.83%	\$28.30



In this scenario<sup>4</sup>, \$28.30 a year (or 2.83%) would be collected in fees to pay for the professional services and insurance benefits you receive. That's a lot of value for a modest cost!

## Benefits of Guaranteed Investment Funds:

- Protect your capital with a maturity benefit guarantee and death benefit guarantee
- Quick settlement in case of death
- Lock in market gains with automatic annual death benefit guarantee resets
- Potential for higher growth with up to 100% equity exposure available
- Bypass estate fees and the probate process if you name a beneficiary
- Potential creditor protection
- Consumer protection<sup>5</sup>

### Why use an Advisor?

Investors with an advisor accumulate more assets than those who do not have an advisor.\*



**1.7x** more assets  
after 4 years



**3.9x** more assets  
after 15 years

For a modest cost, you receive a lot of value. Empire Life Guaranteed Investment Funds gives you the growth potential of investment funds with the security of insurance guarantees that can help you reach your financial goals.

**To get Empire Life Guaranteed Investment Funds working for you, speak to your advisor.**

<sup>1</sup> Refer to the Information Folder for details about the Management Expense Ratio. In addition, there may be a fee charged for withdrawals depending on the purchase fee option and for excessive trading. <sup>2</sup> The value of your guarantees is reduced proportionately by withdrawals. <sup>3</sup> Final reset on Annuitant's 80th birthday. <sup>4</sup> Assumes an Empire Life GIF 75/100 policy invested in Empire Life Balanced GIF with an MER of 2.83% as of December 31, 2018. <sup>5</sup> The Empire Life Insurance Company is a member of Assuris. Assuris is the not for profit organization that protects Canadian policyholders 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. \* The Gamma Factor and the Value of Financial Advice 2016.

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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