

EMPIRE LIFE CLASS PLUS 2.1

**Guaranteed retirement
income for life™**

SCENARIO

IN RETIREMENT TAKING INCOME NOW SINGLE TIERED LWA

Richard is retired. He has \$400,000 to invest and wants an investment that will provide him with predictable, stable income in retirement. He is concerned that he may outlive his savings and that poor market performance may erode his investments. Richard needs to start drawing income immediately.

Empire Life Class Plus 2.1 can give Richard the peace of mind he needs.

With Class Plus 2.1 Richard will receive guaranteed retirement income for as long as he lives¹ no matter how the markets perform. He can take advantage of investment growth through triennial Income Base Resets when the markets are strong.

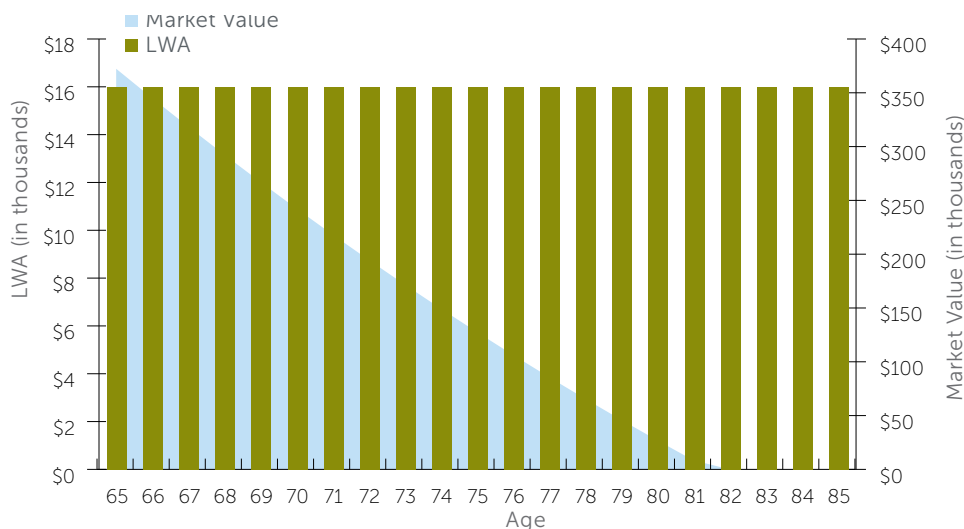
¹ Provided there are no Excess Withdrawals.

HOW CLASS PLUS 2.1 PROTECTS RICHARD'S GUARANTEED INCOME IN **DOWN MARKETS**

Richard's investment could be depleted in 18 years if he withdrew \$16,000 every year. But with Class Plus 2.1, Richard is guaranteed an LWA of \$16,000 for his lifetime, regardless of market conditions. Richard is guaranteed an LWA of \$16,000, based on his Income Base of \$400,000 x 4.00% (Single Tiered LWA rate for his current age of 65).¹

In a poor market scenario, Richard's Income Base has not benefitted from an Income Base Reset. At age 70, Richard's Single Tiered LWA rate will increase to 4.25% as a result of the Automatic Income Reset (AIR).

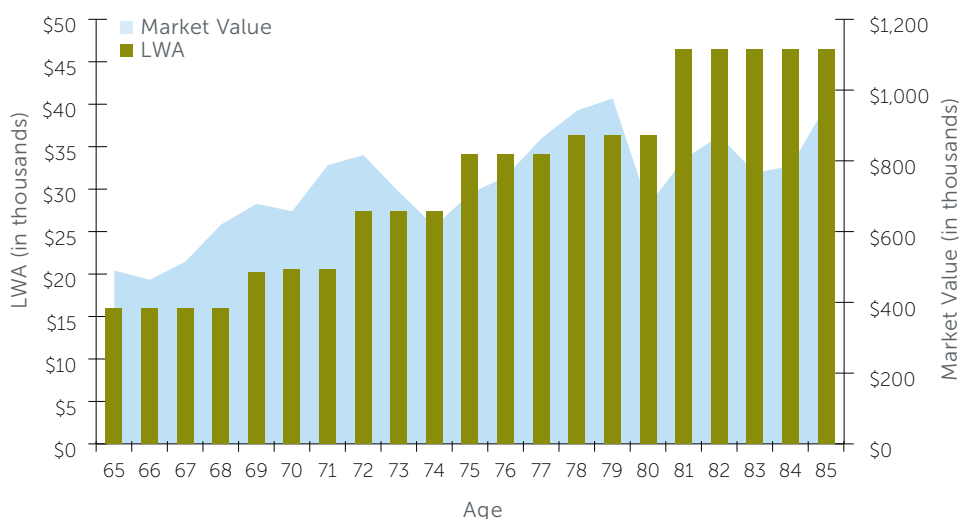
However, this will not increase his guaranteed income as the LWA of \$13,600 (his current Income Base of \$320,000 x 4.25%) is less than his current LWA. Therefore, Richard's guaranteed income will not increase despite the AIR and he will continue to receive his guaranteed income for life of \$16,000.²



HOW CLASS PLUS 2.1 POTENTIALLY INCREASES RICHARD'S GUARANTEED INCOME IN **UP MARKETS**

With strong market conditions, Richard will be entitled to increases to the LWA from two factors:

- 1) automatic Income Base resets every third Class Plus Anniversary Date where the Income Base is set to equal the market value of the Fund Class Units at the credit of his contract, if the market value is greater than the Income Base at that time; and
- 2) an increase to the Single Tiered LWA Percentage for his age.³



¹ Provided there are no Excess Withdrawals. ² For illustrative purposes the fund accumulates at a rate of return of -1.5%. A monthly Class Plus Fee of 0.125% (1.50% annually) of the Income Base was charged. ³ The following scenario's market value is based on historical rates of return using a blend of 80% S&P/TSX and 20% DEX Universe Bond Index, from December 31, 1994 to December 31, 2013, with an average rate of return of 9.20%. The monthly Class Plus Fee is 0.125% of the Income Base. Refer to the Class Plus 2.1 Information Folder for complete details.



RETIREMENT IS ABOUT LIVING!

The flexibility you need

You live life on your own terms. Why should your retirement be any different? In today’s world, income generation with maximum flexibility can influence one’s retirement destiny.

Single and Joint Tiered LWA Options

The flexibility of Class Plus 2.1 is enhanced by the Single and Joint Tiered LWA Options. Joint Tiered LWA Option is available only as a non-registered contract.

Single Tiered LWA Percentage	Joint Tiered LWA Percentage ¹
age 0-54: 0.00%	age 0-54: 0.00%
age 55 - 59: 3.00%	age 55 - 59: 2.50%
age 60 - 64: 3.50%	age 60 - 64: 3.00%
age 65 - 69: 4.00%	age 65 - 69: 3.50%
age 70 - 74: 4.25%	age 70 - 74: 3.75%
age 75+: 5.00%	age 75+: 4.50%

Automatic Income Reset

Class Plus 2.1 does not tie you into the same payout rate for the rest of your life. As you can see from the table above, the percentage rate used to calculate income increases with age.²

Retirement Income Privileges

With our unique Retirement Income Privileges, you can stop your payments at any time to suit your income needs, continue to be eligible for the Income Base Bonus,³ then resume your income, without penalty.

¹Determined based on the age of the youngest of the Annuitant and the Joint Life. ²On December 31st of each year the LWA is calculated for the following year. If there have been no Excess Withdrawals during the year, the LWA for the following year will be the greater of the current LWA or the new LWA, if it is higher. Calculated based on the current Income Base and the applicable LWA percentage. ³Available to increase the Income Base in those years you do not make any withdrawals.

For more information, please contact your advisor.

The Empire Life Insurance Company (Empire Life) offers competitive individual and group life and health insurance, investment and retirement products to help you build wealth and protect your financial security.

Empire Life is among the top 10 life insurance companies in Canada¹ and is rated A (Excellent) by A.M. Best Company². Our vision is to be known for simplicity, being easy to do business with and having a personal touch.

¹ *The Globe and Mail Report on Business*, June 2014, based on revenue

² As at May 21, 2014

[†] The Empire Life Insurance Company has been managing money for 50 years; including through its subsidiary Empire Life Investments Inc. since 2012.

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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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