



Retirement income SOLUTIONS

sponsored by Engineers Canada



The Engineers Canada-sponsored
Financial Security Program is
exclusive to professional engineers
and geoscientists, as well as
their families, across Canada.

Sponsored by:



Engineers Canada is the business name
of the Canadian Council of Professional Engineers

Maintain your standards

At Canada Life, we know your standards extend well beyond your engineering career. When it comes to your retirement, while you may be relaxing, you won't be relaxing those standards. That's why you should consider the only retirement income plan officially sponsored by Engineers Canada. We understand as an engineer you expect a premium quality program and Canada Life has the strength and stability to deliver.

You've spent a lifetime preparing for your retirement. You've saved. You've invested. And you've built a nice nest egg. Now you're about to retire, what should you do with your money?

The Engineers Canada-sponsored Financial Security Program offers group retirement products such as a group registered retirement income fund (RRIF), life income fund (LIF) and tax-free savings account (TFSA).

The group advantage:

- Lower-than-typical retail management fees (see the "Think of the savings" section for an example of this)
- An impressive array of investment options from professional money managers
- Access to free, personalized assistance with your plan investments
- Enhanced interest rates on guaranteed investment accounts
- Online access to your account and important information through customized websites
- Ongoing education through quarterly custom newsletters
- No administration or transfer fees

Retirement income options at a glance

RRIF – registered retirement income fund

This option turns the accumulated value of a registered savings plan, typically an RRSP, into retirement income.

You can transfer your RRSP savings to a RRIF on a tax-deferred basis at any time up to the end of the calendar year in which you turn 71. You won't pay any taxes at the time you transfer your money because you're not immediately withdrawing the money in cash. The income paid from the RRIF, however is taxable in the year you receive it.

The income from a RRIF is extremely flexible. You can choose the payment amount, subject to a required minimum. You can also vary the income from one year to the next to help meet your changing income needs and financial obligations.

LIF – life income fund

The Engineers Canada-sponsored Financial Security Program also offers a LIF which is used to pay out the accumulated value of a locked-in RRSP, a locked-in retirement account (LIRA) or locked-in amounts under a registered pension plan.

Under current pension legislation, money contributed to a pension plan on your behalf is generally locked-in. Unlike the money you contribute to your personal RRSP, this money must be used to fund a retirement income.

Although a LIF is very similar to a RRIF, it's designed to provide an income that will last for a lifetime, so the payment schedule is not quite as flexible. Governments set both the minimum and maximum payments you can receive each year from your LIF. Within this range, you can choose whatever payment schedule you want.

If all you want is a guaranteed income for the rest of your life, talk to us about a wide variety of annuity options. These products provide a guaranteed income for a defined period, alleviate ongoing investment risk, and require no investment management by you.

Think of the savings

The power of group purchasing

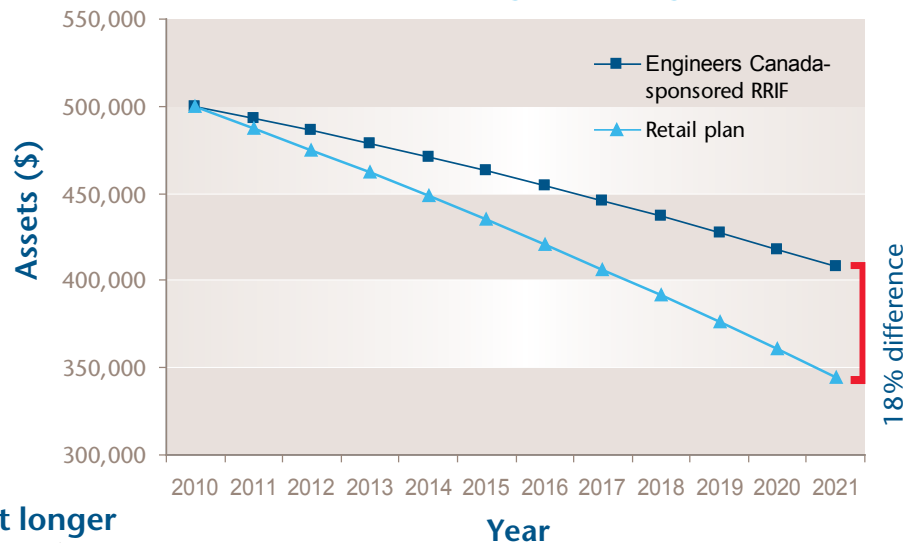
Being part of a group plan means you pay lower investment management fees which are not typically available to the individual investor. You benefit from lower fees because they're calculated using the combined purchasing power of all the participants in the group plan.

Example:

Making your savings last longer

Let's say you've invested \$500,000 in both the Engineers Canada-sponsored Financial Security Program RRIF and an individual retail RRIF for 10 years. Because the Financial Security Program RRIF has lower fees, you may achieve 18 per cent, or \$63,450, more in retained savings over your individual retail RRIF, which means your savings may last longer. You may also choose to increase your payments because your plan has lower fees and invest those in the Engineers Canada-sponsored TFSA (currently up to \$5,000 annually).

Your retirement savings last longer



Assumptions: The individual MER (management expense ratio) was calculated using the average Canadian equity mutual fund of 2.34 per cent obtained from Morningstar January, 2010. The group IMFE (investment management fee and expense) was calculated using the Jarislowsky Fraser Canadian Equity fund of 1.19 per cent plus GST. We've assumed a rate of return of five per cent. \$25,000 was withdrawn at the end of each year. The accumulated assets in the chart have been rounded to the nearest dollar.

Consolidate your assets

As you can see, the retirement income products offered in this plan can offer you significant savings. Another advantage is when you consolidate other assets with your group investments, your overall savings are further maximized and your retirement income can last even longer.





Canada Life™

For more information contact Canada Life
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