

EMBLEM GIF PORTFOLIOS

5 reasons to recommend
Emblem GIF Portfolios



DIVERSIFICATION WITHOUT COMPLICATION

Your clients are looking for **diversification**, not complication. They want exposure to asset classes based on their individual risk profile, goals and time horizon, while still knowing what they are invested in.

Empire Life Emblem GIF Portfolios¹ are a **simple**, straightforward investment **solution** that gives your clients everything they are looking for, including valuable maturity and death benefit guarantees.

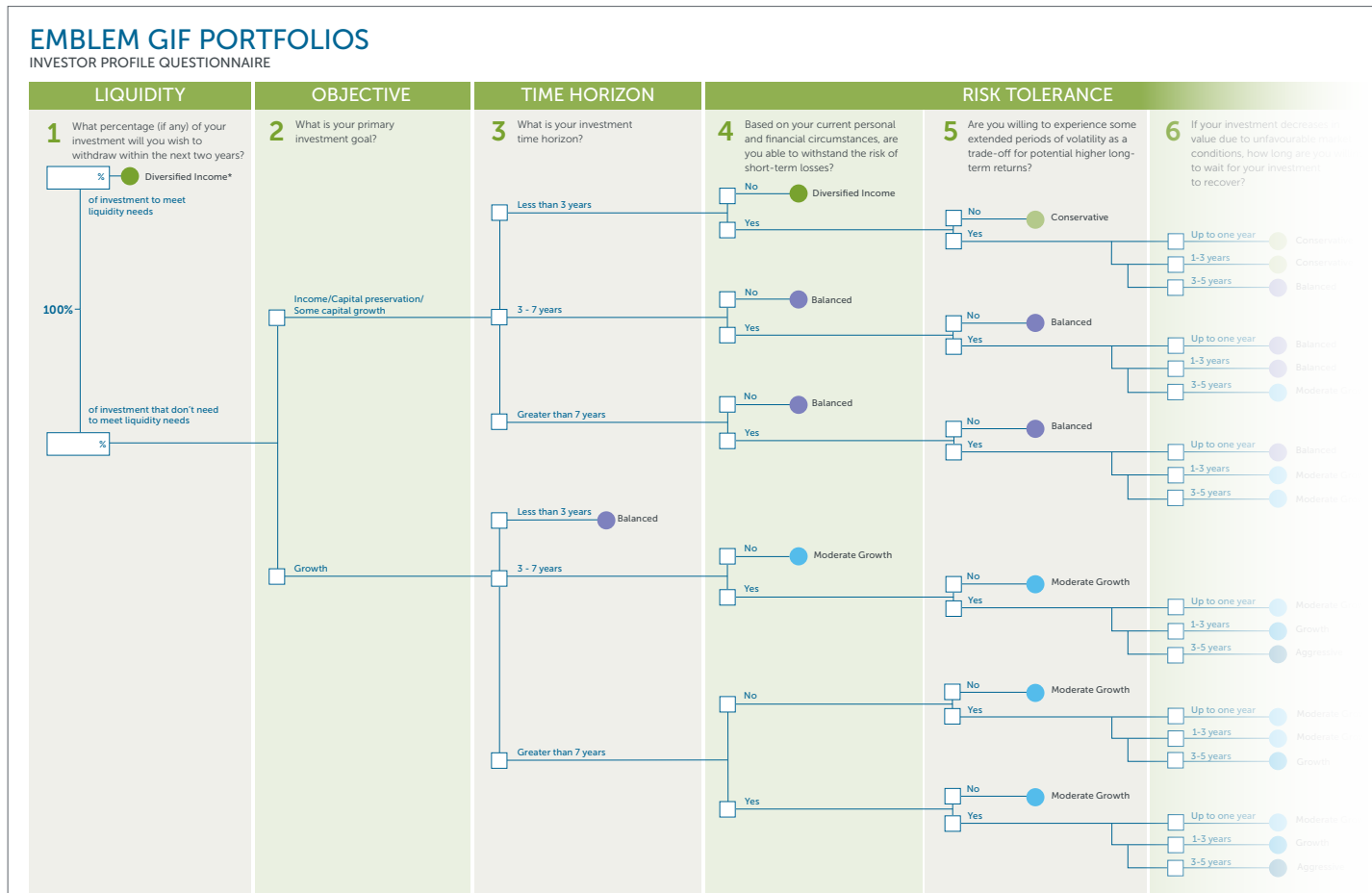
5 reasons to recommend Emblem GIF Portfolios

1. An easy to use online questionnaire and investment policy statement helps you make a portfolio recommendation.
2. A range of portfolios offer instant diversification in one investment decision.
3. The underlying fund of each portfolio is concentrated and transparent, investing directly in securities so clients always know what they're invested in.
4. Conservative, value-oriented and disciplined investment approach emphasizes downside protection.
5. Emblem Oversight Team monitors and adjusts portfolios in response to changing market conditions.

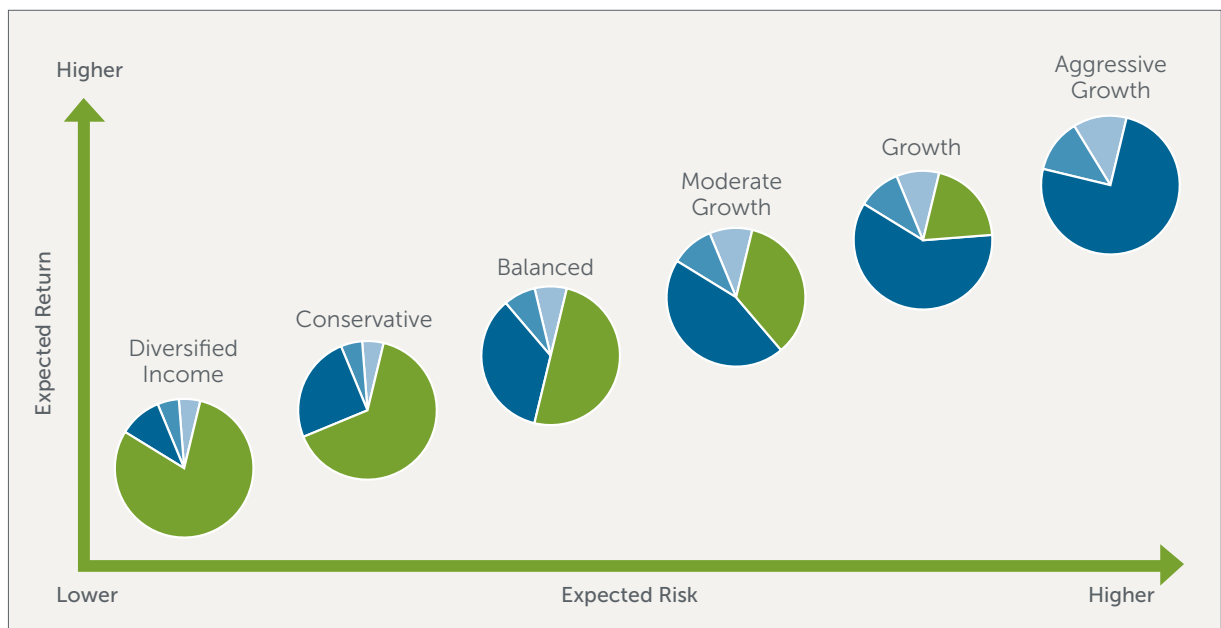
1 ONLINE QUESTIONNAIRE: CHOOSE THE RIGHT PORTFOLIO

The Emblem GIF Portfolios investor profile questionnaire is **simple** for clients to use and understand, with six questions guiding them to a potential portfolio. It even provides the option of allocating part of their total investment to a portfolio more suitable for short-term liquidity needs.

Complete the questionnaire online and you can **automatically generate an Investment Policy Statement** for your client, clearly outlining their investment goals, suggested Emblem GIF Portfolio information and how their money will be managed.



Your clients can choose from six Emblem GIF Portfolios based on their individual time horizon, risk tolerance and investment goals. The portfolios are **diversified across multiple asset classes** – fixed income, Canadian equity, U.S. equity and international equity – and range from 80% fixed income to 100% equity.



Underlying Fund Target Asset Mix	Diversified Income	Conservative	Balanced	Moderate Growth	Growth	Aggressive Growth
Cash/Fixed Income	80.0%	65.0%	50.0%	35.0%	20.0%	—
Canadian Equities	10.0%	25.0%	35.0%	45.0%	60.0%	75.0%
U.S. Equities	5.0%	5.0%	7.5%	10.0%	10.0%	12.5%
International Equities	5.0%	5.0%	7.5%	10.0%	10.0%	12.5%

2 DIVERSIFICATION AND CHOICE: RANGE OF PORTFOLIOS

3 TRANSPARENT AND CONCENTRATED: KNOW WHAT YOU OWN

The underlying fund of each Emblem GIF Portfolio invests directly in securities to create the desired asset allocation for each risk/return profile. The portfolios are concentrated — typically holding 200 to 300 securities instead of thousands — representing the **highest conviction ideas** of our portfolio manager. There is no overlap or duplication in the underlying securities within the portfolios.

Emblem GIF Portfolios

EMBLEM MODERATE GROWTH PORTFOLIO GIF

Top 10 holdings of the underlying fund at April 30, 2016

Government of Canada 0.250% May 01, 2018	3.5%
Royal Bank of Canada	3.2%
The Toronto-Dominion Bank	3.1%
Government of Canada 1.500% June 01, 2026	3.0%
Canadian National Railway Company	2.3%
The Bank of Nova Scotia	2.1%
Bank of Montreal	2.0%
Government of Canada 3.500% December 1, 2045	1.9%
CGI Group Inc. 'A'	1.7%
iShares S&P/TSX Small Cap Index Fund	1.6%

200–300
TOTAL SECURITIES

Other managed portfolios

ILLUSTRATIVE TOP 10 HOLDINGS

Canadian Large Cap Mutual Fund
Canadian Bond Mutual Fund
Canadian Dividend Mutual Fund
International Equity Mutual Fund
Canadian Income Mutual Fund
U.S. Large Cap Mutual Fund
Canadian Fixed Income Mutual Fund
Canadian Large Cap Mutual Fund
Canadian Bond Mutual Fund
Canadian Small Cap Mutual Fund

2000–3000
TOTAL SECURITIES

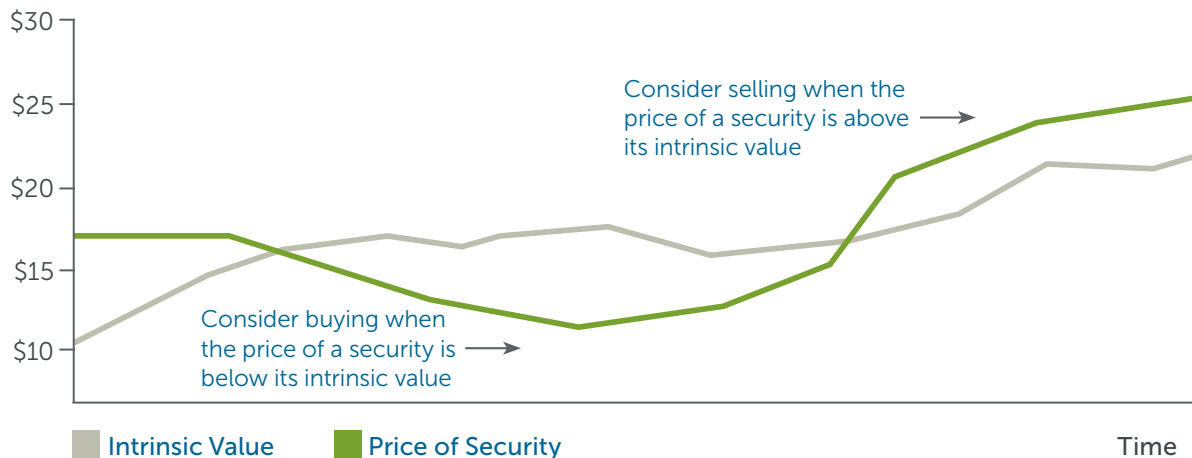
4 VALUE ORIENTED APPROACH: DOWNSIDE PROTECTION

At Empire Life Investments Inc.², we believe the best way to build wealth is to follow a conservative, value-oriented and disciplined investment style, with an emphasis on providing downside protection during periods of market uncertainty.

We analyze companies to determine their true or **"intrinsic" value**. If a stock with attractive characteristics is trading below that value, we will consider buying it or adding to our holdings. If it rises above that threshold, it may be sold.

Our proprietary model has been developed over many market cycles, and is designed to remove emotion from the investment equation. It's one of the many ways in which we aim to help clients participate in the growth of rising markets and protect wealth in falling markets.

Our intrinsic value model in action



5 EMBLEM OVERSIGHT TEAM: TACTICAL ASSET MANAGEMENT

The Emblem Oversight Team brings together a wealth of **investment management expertise** in core asset classes. The right experts are at the table to get the asset allocation decision right and ensure proper and timely implementation of the decision. Monitoring the asset allocation of each portfolio involves two components: strategic asset allocation and tactical asset allocation. Each portfolio is constructed with a longer-term strategic asset mix that offers a balance between expected risk and return.

Tactical asset management makes the portfolios more nimble. When market conditions change, the Emblem Oversight Team has the **flexibility to modestly adjust** the portfolios to take advantage of shorter-term market opportunities. Asset allocation updates are published when tactical calls are made, to keep you and your clients informed of what is happening with the portfolios.



Ian Hardacre, MBA, CFA
Senior Vice President &
Chief Investment Officer

Scott Pountney, CFA, CAIA
Director,
Investment Products



Geoff Johnston, CFA
Senior Portfolio Manager

Henry So, CFA
Senior Investment
Product Manager



Diane Burke
Manager Equity Trading

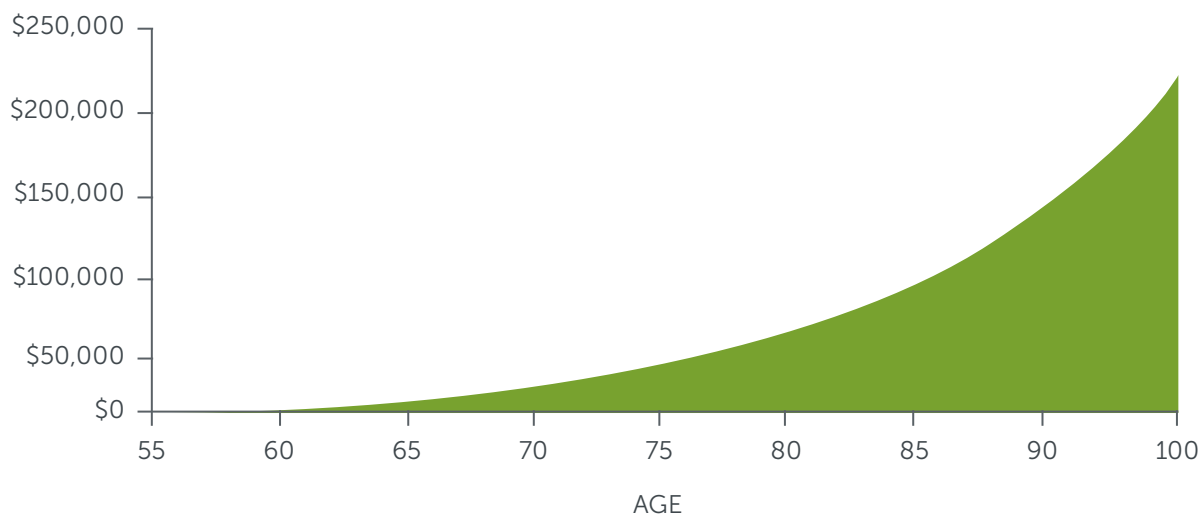
EMPIRE FOR LIFE®: REACH GOALS FASTER

The Empire for Life Loyalty Program **rewards long-term investors**, helping them reach their goals faster. Clients that hold Empire Life Guaranteed Investment Funds or Class Plus 2.1, including Emblem GIF Portfolios, for at least ten consecutive years, are eligible to receive a credit equal to 5% of the annual management fee.

Clients are automatically enrolled when they begin investing in Empire Life Guaranteed Investment Funds, making it easy and convenient for them to reach their goals faster!

Loyalty program benefits

Cumulative loyalty credits with market growth



Source: Morningstar Direct, March 2016. For illustrative purposes only. Example assumes a \$75,000 initial deposit and \$5,000 additional deposits per year for 20 years. The starting value and annual investments occur at the beginning of the year. Returns are dependent on the fund chosen. The return in this illustration reflects the average 25-year return for the CIFSC Canadian Equity category; the management fee used is the average fee for the Canadian Equity category.

PRODUCT SUMMARY

	75/75 (Class K)	75/100 (Class L)	100/100 (Class M)
Benefit guarantees			
Maturity benefit guarantee	75% of deposits		If more than 15 years until maturity, 100% of deposits; if less than 15 years until maturity, 75% of deposits
Maturity benefit guarantee resets	n/a		2 client-initiated resets per calendar year, provided there is at least 15 years to the maturity date, up to age 90
Death benefit guarantee	75% of deposits	100% of deposits if policy issued before annuitant's 80th birthday, otherwise 75% of deposits	
Death benefit guarantee resets	Automatic annual resets on policy anniversary date until age 80. Final reset occurs on the annuitant's 80th birthday.		
Effect of withdrawals on guarantees	Adjusted proportionally for withdrawals		
Fee structure	Insurance fee charged separately from MER		
Policy maturity	December 31 of year annuitant is 100		December 31 of year annuitant is 105
Maturity date	Same as policy maturity		Client chooses date a minimum of 15 years after the initial deposit
Maximum issue age	80	90	
Maximum deposit age	90		
Minimum initial deposits			
Non-registered, TFSA and RRSP	\$1,000		
RRIF	\$10,000		
Monthly pre-authorized debit (PAD)	\$50 per fund		
Switches* and withdrawals			
Minimum	\$250 per fund		
DSC/LL-free: non-registered, RRSP, TFSA	10%		
DSC/LL-free: RRIF	20%		
Contracts			
Contract (account) types	Client name, Nominee name and Intermediary name		
Contract Types	<ul style="list-style-type: none"> RRSP (personal, spousal or common-law partner RRSP, LIRA, LRSP) RRIF (personal, spousal or common-law partner RRIF, LIF, LRIF, PRIF, Restricted LIF (Federal only)) Non-registered TFSA 		
Load options	FE, LL, DSC – LL cannot be held in the same contract as FE and/or DSC		
Emblem GIF Portfolios available	<ul style="list-style-type: none"> Emblem Diversified Income Portfolio GIF Emblem Conservative Portfolio GIF Emblem Balanced Portfolio GIF Emblem Moderate Growth Portfolio GIF Emblem Growth Portfolio GIF Emblem Aggressive Growth Portfolio GIF 		

* Switching funds to a different purchase fee option is not permitted.

Class Plus 2.1 (Class Q)

Guaranteed income features

Lifetime Withdrawal Amount (LWA)	LWA payable is based on the Annuitant's age and the applicable percentage of the Income Base as shown below	
	Single Tiered LWA Percentage	Joint Tiered LWA Percentage³:
	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: 4.00%
	age 75+: 5.00%	age 75+: 4.50%
Automatic Income Resets	<ul style="list-style-type: none"> Percentage of Income Base payable is automatically increased to next LWA percentage tier at each eligible age No administrative work required from the advisor or client Your client will always receive the greater of the current LWA or the new LWA which is calculated based on the current Income Base and the applicable LWA percentage⁴ 	
Retirement Income Privileges	Your client can discontinue income payments and then resume at any time	
Income Base Bonus Period	Each year that there are no withdrawals from Class Plus 2.1	
Income Base Bonus	5% annually	

Benefit guarantees

Death Benefit Guarantee (DBG)	Greater of market value or 75% of deposits ⁵
Maturity Benefit Guarantee (MBG)	Greater of market value or 75% of deposits ⁵
Triennial Resets	<ul style="list-style-type: none"> Automatic every 3 years on Income Base, Bonus Base, and DBG⁶ No resets on MBG
Last date for deposits	<ul style="list-style-type: none"> Single Tiered LWA Option – December 31 of year the Annuitant turns 80 Joint Tiered LWA Option – December 31 of year the older of the Annuitant and the Joint Life turns 80
Contract maturity date	<ul style="list-style-type: none"> Single Tiered LWA Option – December 31st of year the Annuitant turns age 120 Joint Tiered LWA Option – December 31st of year the younger of the Annuitant and the Joint Life turns 120
Minimum initial deposit	\$10,000

Withdrawals

Scheduled payment frequency	Monthly, quarterly, semi-annual or annual
Excess Withdrawal Alert	Excess Withdrawal Alert service available to safeguard your income

Contracts

Minimum Annual Fund Fee Rate Range	Ranges from 0.75% - 1.50% depending on asset class
Class Plus fee collected	Monthly
Emblem GIF Portfolios available	<ul style="list-style-type: none"> Emblem Diversified Income Portfolio GIF Emblem Conservative Portfolio GIF Emblem Balanced Portfolio GIF Emblem Moderate Growth Portfolio GIF Emblem Growth Portfolio GIF
Maximum equity allocation	80% - Emblem Growth Portfolio GIF

EMBLEM GIF PORTFOLIOS SUMMARY

75/75 (Class K)					
Emblem GIF Portfolio	Estimated MER	Insurance fee	Fund codes		
			FE	LL	DSC
Emblem Diversified Income Portfolio GIF	2.30%	0.05%	ECF 11079	ECF 11279	ECF 11579
Emblem Conservative Portfolio GIF	2.26%	0.05%	ECF 11081	ECF 11281	ECF 11581
Emblem Balanced Portfolio GIF	2.36%	0.10%	ECF 11083	ECF 11283	ECF 11583
Emblem Moderate Growth Portfolio GIF	2.38%	0.10%	ECF 11085	ECF 11285	ECF 11585
Emblem Growth Portfolio GIF	2.47%	0.10%	ECF 11087	ECF 11287	ECF 11587
Emblem Aggressive Growth Portfolio GIF	2.60%	0.20%	ECF 11089	ECF 11289	ECF 11589

75/100 (Class L)					
Emblem GIF Portfolio	Estimated MER	Insurance fee	Fund codes		
			FE	LL	DSC
Emblem Diversified Income Portfolio GIF	2.28%	0.35%	ECF 12079	ECF 12279	ECF 12579
Emblem Conservative Portfolio GIF	2.27%	0.35%	ECF 12081	ECF 12281	ECF 12581
Emblem Balanced Portfolio GIF	2.32%	0.50%	ECF 12083	ECF 12283	ECF 12583
Emblem Moderate Growth Portfolio GIF	2.42%	0.55%	ECF 12085	ECF 12285	ECF 12585
Emblem Growth Portfolio GIF	2.42%	0.55%	ECF 12087	ECF 12287	ECF 12587
Emblem Aggressive Growth Portfolio GIF	2.57%	0.75%	ECF 12089	ECF 12289	ECF 12589

100/100 (Class M)					
Emblem GIF Portfolio	Estimated MER	Insurance fee	Fund codes		
			FE	LL	DSC
Emblem Diversified Income Portfolio GIF	2.35%	0.55%	ECF 13079	ECF 13279	ECF 13579
Emblem Conservative Portfolio GIF	2.28%	0.55%	ECF 13081	ECF 13281	ECF 13581
Emblem Balanced Portfolio GIF	2.35%	0.75%	ECF 13083	ECF 13283	ECF 13583
Emblem Moderate Growth Portfolio GIF	2.35%	0.75%	ECF 13085	ECF 13285	ECF 13585
Emblem Growth Portfolio GIF	2.46%	0.75%	ECF 13087	ECF 13287	ECF 13587
Emblem Aggressive Growth Portfolio GIF	2.58%	1.20%	ECF 13089	ECF 13289	ECF 13589

Class Plus 2.1 (Class Q)								
Emblem GIF Portfolio	Estimated MER	Insurance fee	Fund codes					
			FE		LL		DSC	
			Single Tiered LWA	Joint Tiered LWA	Single Tiered LWA	Joint Tiered LWA	Single Tiered LWA	Joint Tiered LWA
Emblem Diversified Income Portfolio GIF	2.27%	1.15%	ECF 00791	ECF 00792	ECF 02791	ECF 02792	ECF 05791	ECF 05792
Emblem Conservative Portfolio GIF	2.29%	1.15%	ECF 00811	ECF 00812	ECF 02811	ECF 02812	ECF 05811	ECF 05812
Emblem Balanced Portfolio GIF	2.35%	1.40%	ECF 00831	ECF 00832	ECF 02831	ECF 02832	ECF 05831	ECF 05832
Emblem Moderate Growth Portfolio GIF	2.40%	1.50%	ECF 00851	ECF 00852	ECF 02851	ECF 02852	ECF 05851	ECF 05852
Emblem Growth Portfolio GIF	2.46%	1.50%	ECF 00871	ECF 00872	ECF 02871	ECF 02872	ECF 05871	ECF 05872

Commissions and trailers

	Commissions	Trailers			
		FE	LL	DSC	
				Guaranteed Investment Funds	Class Plus 2.1
Emblem Diversified Income Portfolio GIF	FE: negotiated, up to 5.00% LL: 2.50%, DSC: 5.00%	0.75%	0.375% for the first 3 years, 0.75% thereafter	0.375% for the first 6 years, 0.75% thereafter	0.375%
Emblem Conservative Portfolio GIF	FE: negotiated, up to 5.00% LL: 2.50%, DSC: 5.00%	1.00%	0.50% for the first 3 years, 1.00% thereafter	0.50% for the first 6 years, 1.00% thereafter	0.50%
Emblem Balanced Portfolio GIF	FE: negotiated, up to 5.00% LL: 2.50%, DSC: 5.00%	1.10%	0.50% for the first 3 years, 1.10% thereafter	0.50% for the first 6 years, 1.10% thereafter	0.50%
Emblem Moderate Growth Portfolio GIF	FE: negotiated, up to 5.00% LL: 2.50%, DSC: 5.00%	1.25%	0.50% for the first 3 years, 1.25% thereafter	0.50% for the first 6 years, 1.25% thereafter	0.50%
Emblem Growth Portfolio GIF	FE: negotiated, up to 5.00% LL: 2.50%, DSC: 5.00%	1.25%	0.50% for the first 3 years, 1.25% thereafter	0.50% for the first 6 years, 1.25% thereafter	0.50%
Emblem Aggressive Growth Portfolio GIF	FE: negotiated, up to 5.00% LL: 2.50%, DSC: 5.00%	1.25%	0.50% for the first 3 years, 1.25% thereafter	0.50% for the first 6 years, 1.25% thereafter	n/a

Withdrawal fee schedule

Number of complete years from date of deposit	LL	DSC
Less than 1 year	3.0%	5.5%
1 year	2.5%	5.0%
2 years	2.0%	5.0%
3 years	0.0%	4.0%
4 years	0.0%	4.0%
5 years	0.0%	3.0%
6 years	0.0%	2.0%
7 years	0.0%	0.0%



FOR ADVISOR USE ONLY

The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products, including mutual funds through our wholly-owned subsidiary Empire Life Investments Inc.

Empire Life is among the top 10 life insurance companies in Canada¹ and is rated A (Excellent) by A.M. Best Company². Our mission is to make it simple, fast and easy for Canadians to get the investment, insurance and group benefits coverage they need to build wealth, generate income, and achieve financial security.

Follow Empire Life on Twitter @EmpireLife or visit our website, www.empire.ca for more information.

¹ Based on general fund and segregated fund assets in Canada as at December 31, 2015 as reported in regulatory filings

² As at May 27, 2016

¹ Empire Life Emblem GIF Portfolios currently invest primarily in units of Empire Life Mutual Funds.

² Empire Life Investments Inc. is the portfolio manager of the Empire Life Guaranteed Investment Funds and is a wholly owned subsidiary of The Empire Life Insurance Company. ³ Determined based on the age of the youngest of the Annuitant and the Joint Life. ⁴ Making an Excess Withdrawal may decrease the guaranteed retirement income for life amount. ⁵ Adjusted proportionally for withdrawals. ⁶ Up to and including the Annuitant's 80th birthday. For Joint Life, final DBG reset on the earliest of the Annuitant's and the Joint Life's 80th birthday.

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.**

® Registered trademark of **The Empire Life Insurance Company**.

Policies are issued by The Empire Life Insurance Company.