

Segregated funds as a solution to meet life's complex challenges

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Intergenerational and estate planning

- Preservation of capital – With markets uncertain, you want to ensure your investment is protected against market volatility. Benefit from maturity and death benefit guarantees.*
- Market “safety net” and ability to lock in gains – Enjoy gains when markets are up, protection when markets are down.
- Timely estate settlement for beneficiaries – Bypass a complex, time-consuming and expensive probate process.**

Complex family dynamics

- Ease tax burden through charitable donations – Receive a tax credit on the final tax return when a charity is named as beneficiary on a segregated fund policy (including any top-ups made to the policy).

- Protect your children's inheritance in a divorce/second marriage – Leave assets to children from a first or current marriage by directly naming beneficiaries. (Bypass the public process of probate.**)
- Potential protection from creditors – Allow loved ones to benefit as certain beneficiaries may take precedence over creditors.
- Privacy in avoiding public process of probate – Eliminate obstacles in estate settlement process as segregated fund assets are passed directly to named beneficiaries.**

Uninsurable or high life insurance costs

- Lifestyle choices – Use segregated funds with a death benefit guarantee as a substitute for life insurance to avoid the higher insurance rates for alternative lifestyle choices.
- Risky occupations and hobbies – Avoid paying higher premiums if you participate in a high-risk occupation or hobby.
- Previous illness or medical history – Don't let pre-existing conditions or a family medical history result in higher insurance costs for you and your family.

Business owners who may require creditor protection

- Dentists
- Doctors
- Entrepreneurs and self-employed workers
- Family-owned business owners
- Lawyers
- Accountants



Insurance

The value of RBC® Guaranteed Investment Funds

- Deposits are accepted to age 90 with no restrictions on investment choices
- Award-winning funds from RBC Global Asset Management®
- Choice of guarantee options:
 - Invest Series** – 75% maturity and death benefit guarantees
 - Series 1 & 2** – 10 year 75% maturity guarantee, 100% death benefit guarantee for deposits made before age 80 and 80% death benefit for deposits made after age 80*
- Resets are available once a year to age 90 on all funds available in RBC GIF Series 2

Award-winning investment management

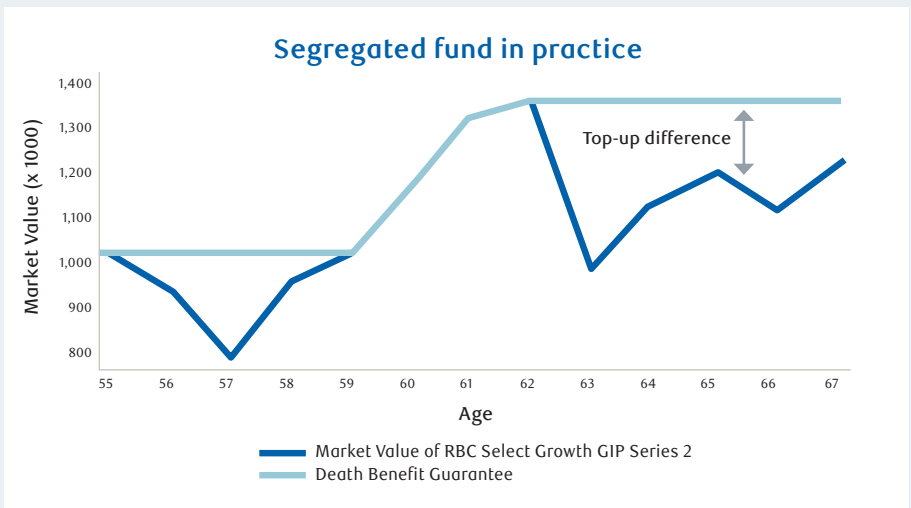
- For 2017 and 2018, RBC GAM was chosen as the **TopGun Investment Team of the Year** by Brendan Wood International
- In addition, an industry-leading 14 portfolio managers were honoured as **TopGun Investment Minds** in 2018

Protecting a portfolio during market downturns: RBC Guaranteed Investment Funds in practice

A client invested \$1 million in the RBC Select Growth GIP Series 2 – a portfolio solution with annual resets. The graph below illustrates the impact of resets on the death benefit guarantee.

As you can see, the ability to reset is a powerful tool. The light blue line illustrates the value of the reset and how it can preserve capital during market downturns.

If the client had passed away in a year where the market value (blue line) was below the death benefit (light blue line), their segregated fund contract would have benefited from a top-up. (If the client had passed away at age 63, the top-up could have been as high as \$322,292.)



Assumptions:

1. For illustration purposes only.
2. Assume reset on December 31, every year.
3. Assume deposit made before age 80 = 100% death benefit guarantee. No withdrawals taken.
4. Market value at December 31 of each year.
5. Resets extend the guarantee period by 10 years. MERs of Series 2 are higher than MERs of Series 1.
6. Guarantees are reduced proportionately by withdrawals.

For more information, please visit us online at www.rbcinsurance.com/gif or speak with your sales consultant:

- MGA – 1-866-235-4332
- IIROC/MFDA – 1-888-770-2586, option #3



Insurance

This is being provided for general information purposes only and the contents should not be relied upon as containing specific financial, investment, tax or legal advice. Clients must seek their own independent advice.

Any amount that is allocated to a segregated fund is invested at the risk of the contract holder and may increase or decrease in value.

RBC Guaranteed Investment Funds are individual variable annuity contracts and are referred to as segregated funds. RBC Life Insurance Company is the sole issuer and guarantor of the guarantee provisions contained in these contracts. The underlying mutual funds and portfolios available in these contracts are managed by RBC Global Asset Management Inc. When clients deposit money in an RBC Guaranteed Investment Funds contract, they are not buying units of the mutual fund or portfolio managed by RBC Global Asset Management Inc. and therefore do not possess any of the rights and privileges of the unitholders of such funds. Details of the applicable Contract are contained in the RBC GIF Information Folder and Contract at www.rbcinsurance.com/gif.

* Guarantees are reduced by withdrawals and fees proportionately. ** Probate fees vary from province to province.

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