

Quick Reference on annuities



With the arrival of the advanced life deferred annuity, you may be wondering what type of annuity is most suitable to your clients. This guide presents the main features of these products.

	Advanced life deferred annuity (ALDA)	Life annuity
Purpose	Regular lifetime income when you need it.	Regular lifetime income starting now.
Source of the premium	Registered funds <ul style="list-style-type: none"> • RRSP • RRIF • DPSP Under the applicable laws, the premium cannot come from locked-in funds.	Registered annuity contract <ul style="list-style-type: none"> • LIRA • RRIF • LIF • RRSP • DPSP • RPP Non-registered annuity contract <ul style="list-style-type: none"> • Non-registered funds
Premium limits	Minimum amount: \$5,000 Maximum amount: See below	Minimum amount: \$5,000 Maximum amount: None ¹
Contribution limits	25% of the total value of the assets in the transferring plan at the end of the preceding year. ² Subject to a total lifetime limit of \$170,000 (2024) for all transfers. ³	None, except for the limits on registered plans.
Age restrictions	The ALDA contract must be acquired by December 31 st of the year the annuitant turns 71. ⁴ Minimum age: 55 Maximum age: 80	Minimum age: 50 Maximum age: 85 ⁵

¹ The company reserves the right to refuse premiums at its sole discretion.

² If, in the current or a previous year, there have already been transfers from the transferring plan to an ALDA, the limit will be lower.

³ The limit is indexed annually to inflation, rounded to the nearest \$10,000. ALDA cumulative excess amounts are subject to a tax of 1% per month.

⁴ Except for transfers from RRIFs, which can be made later.

⁵ Some exceptions may be permitted, but a special quote is required.

Ownership structure	Under the applicable laws, the owner, the payee and the annuitant must be the same natural person.	Prescribed registered and non-registered annuity contracts: the owner, the payee and the annuitant must be the same natural person. Non-prescribed, non-registered annuity contracts: the owner, the payee and the annuitant do not have to be the same person.
Deferral period	Minimum: 5 years Maximum: 30 years ⁶	No minimum Maximum: 5 years
Surrender	Non-redeemable	Non-prescribed annuity: <ul style="list-style-type: none"> • It is possible to surrender the annuity at the commuted value of all payments with proof of good health. • It is possible to surrender the annuity at the commuted value of the guaranteed payments without proof of good health. Prescribed and registered annuities are non-redeemable.
Death benefit	Equal to the difference between the single premium paid to the company and the sum of all the annuity payments made up to the date of death.	Based on the options selected.
Personalization/options	Single ALDA Joint and survivor ALDA Annuity payment deferral period	Single life annuity Joint and survivor life annuity Guarantee period Payment indexation Cash refund

Owner: Owns the annuity contract and pays the premium. Can be an individual, a legal person, an organization or a trust.

Payee: The individual, legal person, organization or trust to whom the annuity is paid.

Annuitant: The individual whose life is used as the measuring life. The payment of the annuity is based on the measuring life.

For more information on these products, see the Advanced Life Deferred Annuity Contract and Application (23170E) and the Life or Term Certain Annuity Contract and Application (1433A)

⁶ The annuity must start at the end of the year the annuitant turns **85**, at the latest.