

# EMPIRE LIFE CLASS PLUS

GUARANTEED RETIREMENT INCOME FOR LIFE®

## SCENARIO

### IN RETIREMENT TAKING INCOME NOW

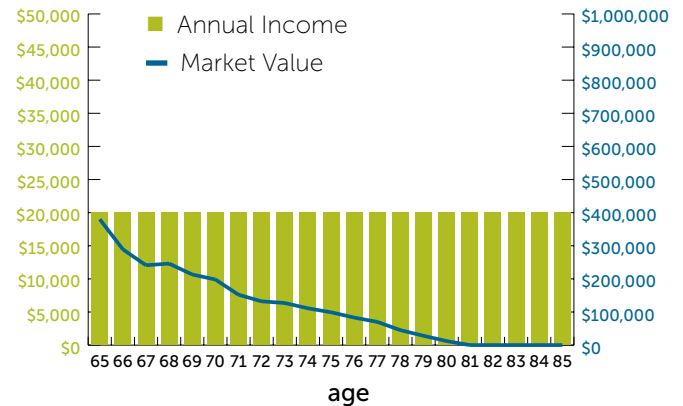
Richard is retired. He has \$400,000 to invest and wants an investment that will provide him with predictable, stable income in retirement. He is concerned that he may outlive his savings and that poor market performance may erode his investments. Richard needs to start drawing income immediately.

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

With Class Plus Richard will receive guaranteed retirement income for as long as he lives<sup>1</sup> no matter how the markets perform. He can take advantage of investment growth through Triennial Income Base Resets when the markets are strong.

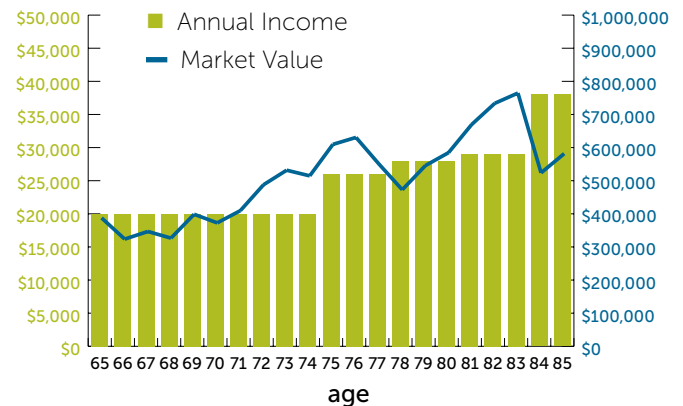
## CLASS PLUS CAN PROTECT RICHARD'S GUARANTEED RETIREMENT INCOME IN DOWN MARKETS

Under poor market conditions, Richard's investment could be depleted in approximately 17 years if he took annual regular withdrawals of \$20,000<sup>2</sup>. However, with Class Plus, no matter what the market performance is, Richard is guaranteed an annual income of \$20,000 for life (\$400,000 X 5%), provided there are no excess withdrawals. With Class Plus, Richard's income is guaranteed for life.



## CLASS PLUS CAN INCREASE RICHARD'S GUARANTEED RETIREMENT INCOME IN UP MARKETS

Under strong market conditions, Richard will benefit from the automatic triennial reset feature. Every third Class Plus Anniversary Date, a Class Plus Income Base Reset may occur. The Class Plus Income Base Reset occurs only when the market value is greater than the current Income Base, which results in a higher Income Base. The automatic triennial resets would result in an increase of Richard's Income Base from \$400,000 to \$757,459<sup>3</sup> after 19 years, thus gradually increasing his guaranteed annual income from \$20,000 to \$37,873 – that's a **\$17,873 increase**.



$\$757,459 \times 5\% = \$37,873$

$\$400,000 \times 5\% = \$20,000$

**$\$37,873 - \$20,000 = \$17,873$**

<sup>1</sup> Provided there are no Excess Withdrawals.

<sup>2</sup> Market performance is based on hypothetical rates of return after fees, with an average annual rate of return of 1.8%. For illustration purposes, fees are assumed to be 0.75%. The LWA is 5% of the Income Base. The LWA can be withdrawn each year beginning in the calendar year the Annuitant turns 65 years or older.

<sup>3</sup> The chart values are based on year end values of the Income Base after deducting withdrawals and annual fund fee rate. For illustration purposes, fees are assumed to be 0.75%, and the market value is based on an historical rate of return using a blend of 80% S&P/TSX and 20% DEX Universe Bond Index, as at December 31, 1989 to December 31, 2008. The average annual rate of return corresponding to the chart's illustrated durations is 8.4%.

Refer to the Empire Class Segregated Funds Information Folder for complete details.

This document reflects the views of Empire Life as of the date published. The information in this document is for general information purposes only and is not to be construed as providing legal, tax, financial or professional advice. The Empire Life Insurance Company assumes no responsibility for any reliance on or misuse or omissions of the information contained in this document. Please seek professional advice before making any decisions.

A description of the key features of the individual variable insurance contract is contained in the Information Folder for the product being considered. Subject to any applicable Death and Maturity Benefit Guarantee, **any part of the premium/deposit or other amount that is allocated to a Segregated Fund is invested at the risk of the Plan/Contract Owner and may increase or decrease in value** according to the fluctuations in the market value of the assets of the Segregated Fund.

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

Policies are issued by The Empire Life Insurance Company.