

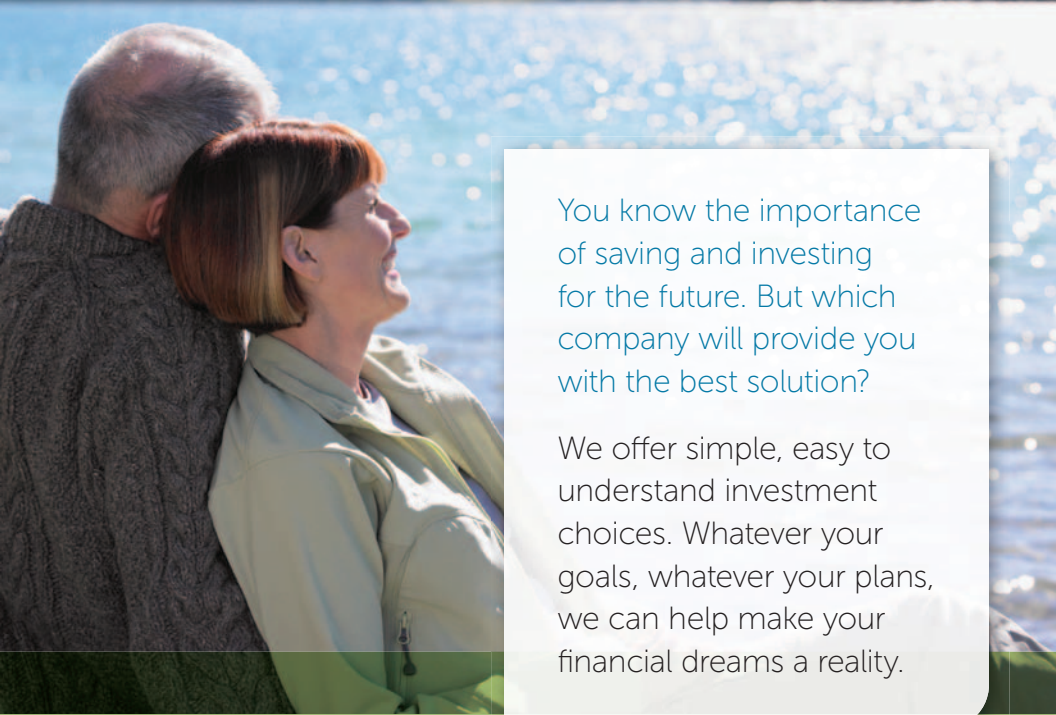
ELITE AND ELITE XL INVESTMENT PROGRAMS

**Why you
should invest
with Empire Life**

Your Investment
Options

Seven steps
to a successful
savings plan





You know the importance of saving and investing for the future. But which company will provide you with the best solution?

We offer simple, easy to understand investment choices. Whatever your goals, whatever your plans, we can help make your financial dreams a reality.

Why you should invest with Empire Life

If there's one thing investors have learned, it is the importance of managing risk. One way to do this is to choose a fund company with an investment style and philosophy that protects your capital in all markets.

At Empire Life, we know how hard you work for your money and how important it is for you to know your investments are being managed responsibly. We've been managing segregated funds since 1964. Our Funds have consistently produced solid returns with less risk. Our segregated funds offer many important benefits, such as valuable maturity and death benefit guarantees to protect your capital.

The following are just some of the benefits and features of our Elite and Elite XL Investment Programs.

ELITE AND ELITE XL INVESTMENT PROGRAMS

Simple, easy to understand investment options

- 21 Segregated Funds
- Guaranteed Interest Options (GIOs), with terms from 1 to 6 years and 10 years, and flexible ½ year options
- Treasury Interest Option

Proven performance with less risk

- Solid, long-term performance
- Conservative, value-oriented investment philosophy to minimize risk and protect your capital in all markets

Value for your money

- Competitive MERs
- Enhanced GIO rates for larger policies

Protection from market downturns

- Choice of 75% or 100% Maturity Guarantee Benefit
- 100% Death Benefit Guarantee
- Ability to reset maturity and death benefit guarantees**
- Potential creditor protection
- Freedom from estate and probate fees if there is a named beneficiary

Convenience of a lifetime investment program

- A savings plan while you're working; can be converted into a RIF (Retirement Income Fund) or an annuity at retirement
- Registered (RRSPs) and non-registered plans available, as well as locked-in plans
- RRSP loans and leveraged loans available (on approved credit by the lending institution)

Powerful guarantees

If you invest in segregated funds, you are already taking a significant step to managing risk in your portfolio because of the valuable guarantees they offer as part of an insurance contract. Empire Life Segregated Funds come with a maturity benefit guarantee and a death benefit guarantee.

Maturity Benefit Guarantee

Our basic maturity benefit guarantee ensures you will receive 75% of your net deposits* to the Segregated Funds on your policy's maturity date, no matter what happens in the markets.

You can enhance this basic protection with our 100% Maturity Guarantee Benefit Option for Savings Plans. With this option, you will receive 100% of your net deposits* on your maturity date as long as there is 15 years from the day you make your deposit to your maturity date. Deposits made in the last 15 years before your maturity date are guaranteed at the regular 75% level. You will be charged an annual fee of .38% of your Fund's value (excluding the Money Market Fund) for the 100% Maturity Guarantee Benefit. For example, if the value of your Segregated Funds investments (excluding the Money Market Fund) is \$10,000 on your policy anniversary date, the cost would only be \$38.

Death Benefit Guarantee

When you die, your beneficiary or estate is guaranteed to receive at least 100% of your net deposits* to the Segregated Funds. There is no maturity date for this guarantee—it is effective from the day you buy your policy.

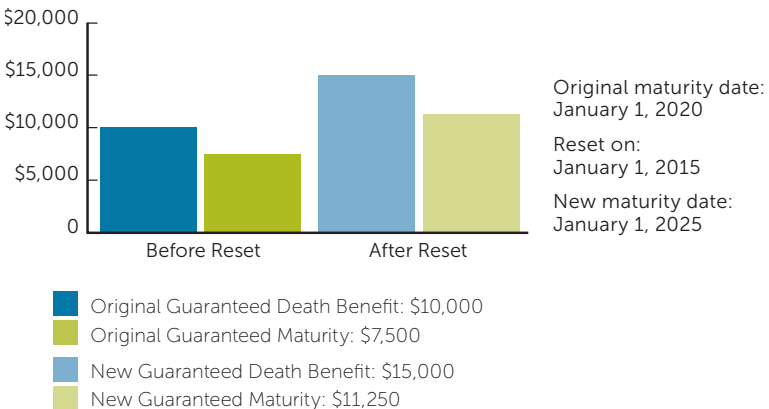
Resetting your guarantees

On their own, these guarantees are important because they protect your investments. But they become even more powerful when you reset them. You can reset your Segregated Funds guarantees on our savings plans twice a policy year to lock in any growth as long as there is 10 years to your maturity date for our basic 75% Guaranteed Maturity Benefit, or 15 years for our enhanced 100% Guaranteed Maturity Benefit.**

Example

You deposit \$10,000 to one of our Segregated Funds on January 1, 2010 and chose an original maturity date of January 1, 2020 and our basic 75% Guaranteed Maturity Benefit. On this date, no matter what happens in the markets, you are guaranteed to receive \$7,500 even if your investments decrease in value. If you died, your beneficiaries would receive a minimum of \$10,000.

After five years, your \$10,000 investment has grown to \$15,000. You decide to reset your maturity and death benefit guarantees on January 1, 2015 (if the plan permits). You are now guaranteed 75% of \$15,000 or \$11,250, your maturity date is extended to January 1, 2025 and your beneficiaries would now receive the full \$15,000 if you died. By resetting your guarantees, you have guaranteed a positive return on your initial investment.



* Net deposits are your total deposits minus any withdrawals which reduce the guarantees, on a proportional basis. See the Information Folder for a complete description of our guarantees.

** Resets are available on savings plans only and may not be available on some older plans. Resets are available until December 31 of the year the annuitant turns 80.

Your investment options

Another way to manage risk is to diversify your portfolio by investing in a combination of Elite XL Investment Programs, you can choose between guaranteed investment contracts, Guaranteed Investment Option, and 21 Segregated Funds, all in one plan.

	Investment Option	Description
INTEREST OPTION	Treasury Interest Option	Daily interest
	Guaranteed Interest Options	Competitive rates with terms from 1 to 5 years and rates for larger policies
INCOME FUNDS	Money Market Fund – Class A	Designed for preservation of capital and income
	Bond Fund – Class A	Invests mainly in high-quality government and corporate bonds
BALANCED FUNDS	Income Fund – Class A	Invests in high-quality Canadian corporate and government bonds
	Global Balanced Fund – Class A	Invests in a strategic mix of primarily Canadian and international equities and bonds
	Balanced Fund – Class A	Invests in a strategic mix of primarily Canadian equities and bonds
	Asset Allocation Fund – Class A	Invests in a tactical mix of primarily Canadian equities and bonds
CANADIAN FUNDS	Dividend Growth Fund – Class A	Invests in dividend-paying Canadian equities
	Canadian Equity Fund – Class A	Invests in Canadian mid to large market equities
	Elite Equity Fund – Class A	Invests in Canadian large market equities
	Small Cap Equity Fund – Class A	Invests in Canadian small to mid market equities
U.S. & INTERNATIONAL FUNDS	American Value Fund – Class A	Invests in U.S. mid to large market equities
	US Equity Index Fund – Class A	Invests in ETFs and/or futures contracts
	International Equity Fund – Class A	Invests in equity securities in developed and emerging markets
GLOBAL FUNDS	Global Dividend Growth Fund – Class A	Invests in dividend-paying global equities
	Global Equity Fund – Class A	Invests in equity securities in developed and emerging markets
	Global Smaller Companies Fund – Class A	Invests in small to mid market capitalization equities
PORTFOLIO FUNDS	Conservative Portfolio Fund – Class A	Fund of funds with target asset mix of 60% equities and 40% bonds
	Balanced Portfolio Fund – Class A	Fund of funds with target asset mix of 50% equities and 50% bonds
	Moderate Growth Portfolio Fund – Class A	Fund of funds with target asset mix of 40% equities and 60% bonds
	Growth Portfolio Fund – Class A	Fund of funds with target asset mix of 30% equities and 70% bonds
	Aggressive Growth Portfolio Fund – Class A	Fund of funds with target asset mix of 20% equities and 80% bonds

combination of cash, fixed income and equity investments. With our Elite and
funds, such as our Guaranteed Interest Options (GIOs) and our Treasury Interest

1-6 and 10 years. Principal and interest are guaranteed. Ask about our enhanced

capital and liquidity

government bonds and some corporate bonds

corporate and government bonds as well as some high-quality dividend-paying Canadian stocks

diversity global dividend-paying equity and fixed income securities

diversity Canadian dividend-paying equity and fixed income securities

diversity Canadian equity and fixed income securities

focus on mid to large market capitalization stocks

focus on market capitalization stocks

focus on market capitalization stocks, with some exposure to foreign securities

focus on market capitalization stocks

focus on market capitalization stocks

focus on contracts tracking the S&P 500

focus on developed markets such as Europe and Asia

focus on mid to large market capitalization stocks

focus on developed markets such as North America, Europe and Asia

focus on market capitalization stocks in developed markets such as North America, Europe and Asia

mix of 35% equities, 65% fixed income

mix of 50% equities, 50% fixed income

mix of 65% equities, 35% fixed income

mix of 80% equities, 20% fixed income

mix of 100% equities



Potential creditor protection

The Empire Life Elite and Elite XL Investment Programs are insurance contracts and may be protected from seizure by creditors, as long as you name your spouse, child, parent or grandchild as beneficiary, and as long as the policy was not set up to avoid a pending bankruptcy. This is particularly important if you are a professional or small business owner. It's always best to consult with your lawyer first if creditor protection is a concern.

Freedom from estate and probate fees

If you name a beneficiary other than your estate, the proceeds of your policy will be paid out directly to your beneficiary. This means your beneficiary receives the proceeds quickly and there are no probate fees or other estate charges, which can be costly.

If you have any questions about our Elite or Elite XL Investment Programs, talk to your independent advisor.

SEVEN STEPS TO A SUCCESSFUL SAVINGS PLAN

1. Have a plan.

What you're investing for will determine what you invest in. Identify your goals and write them down.

2. Don't go it alone.

Work with a professional who can help you develop a plan, provide objective advice, someone who knows about investing, taxation, financial planning and insurance.

3. Understand the relationship between risk and reward.

Know your tolerance for risk. Remember, the higher the return you want to achieve, the greater the level of risk you must be prepared to take.

4. Invest for the long-term.

5. Start early and contribute often.

6. Don't put all your eggs in one basket.

Diversifying your portfolio reduces your risk.

7. Review your investment goals regularly and ask questions.

Your advisor can answer any questions you may have about your plan.



Important Notes

The 100% Maturity Guarantee Benefit Option is available at issue on saving plans only and applies to deposits to the Segregated Funds. The annual charge for the 100% Maturity Guarantee Benefit will be deducted annually from the value of your Segregated Funds, excluding the Money Market Fund. If your plan is non-registered, the annual charge for the 100% Maturity Guarantee Benefit will be considered a disposition for tax purposes. If your plan is registered, the annual charge will not be subject to withholding tax.

See the Information Folder for a complete description of your contract's guarantees.

Past performance is no guarantee of future performance. Empire Life Portfolio Funds currently invest primarily in units of other Empire Life Segregated Funds.

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 made on or misuse or omissions of the information contained in this document. Please seek professional advice before making any decision.

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.**

For more information, please contact your advisor.

The Empire Life Insurance Company (Empire Life) offers competitive individual and group life and health insurance, investment and retirement products to help you build wealth and protect your financial security.

Empire Life is among the top 10 life insurance companies in Canada¹ and is rated A (Excellent) by A.M. Best Company². Our vision is to be the leading, independently-owned, Canadian financial services company committed to simplicity, being easy to do business with and having a personal touch.

¹ Source: Office of the Superintendent of Financial Institutions (OSFI), based on general and segregated fund assets.

² As at June 22, 2011

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