

## Plan for today and tomorrow

You've spent a lifetime planning and building an investment portfolio designed to help fulfill your retirement dreams. Now that you're at or nearing retirement, the time has come to look at options for drawing income out of your non-registered investments. Ideally, you'd like to do it all—that is, enjoy the active lifestyle to which you've become accustomed while savoring the satisfaction of knowing you'll be leaving a meaningful legacy for your kids.

With an insured annuity, you may be able to do both

A portion of your conservative investments are used to purchase a prescribed annuity contract and a permanent life insurance policy. The annuity can generate a lifetime payment stream, that is partially taxable income and partially a return of capital, that pays the life insurance premiums and tax on the annuity. The remaining amount is used to supplement your income. At death, the life insurance proceeds provide a gift to your heirs or favourite charity.

### Example of an Insured Annuity versus Interest-Bearing Investment

	Insured Annuity*	Taxable Investment (GICs at 5%)
Total money available	\$500,000	\$500,000
Annual pay-out	\$39,148	\$25,000
Taxable amount	\$8,092	\$25,000
Tax payable <sup>1</sup>	\$3,641	\$11,250
Cash flow before insurance premium	\$35,507	\$13,750
Annual insurance premium	\$15,650	\$0.00
Annual net cash flow	\$19,857	\$13,750
Estate value	\$500,000	\$500,000

In this example, the insured annuity provides an increase of up to 44% in annual net cash flow.

\*Female non-smoker age 70; Canada Life annuity; Canada Life T100 Life Insurance contract;

<sup>1</sup> 45% Marginal Tax Rate;

Annuity and Life Insurance Quotes are as of Oct 13, 2005 and are subject to change without prior notice.

This strategy may not apply if you are not insurable. Returns may be less using this strategy and other risks may apply. For illustrative purposes only. Please speak to your insurance advisor. Annuity rates subject to change without notice. Cash flow depends on age and insurability.

Insurance products and services offered through I.G. Insurance Services Inc. (in Quebec, a financial services firm). Insurance license sponsored by The Great-West Life Assurance Company (outside of Quebec).

™ Trademark owned by IGM Financial Inc. and licensed to its subsidiary corporations.

© Investors Group Inc. 2008 MP1102 (01/2008)

The Plan  
by  Investors  
Group™

I.G. Insurance Services Inc.