



Canada Life™

## Payout annuities

The cornerstone of your  
retirement income planning

Reliable and guaranteed income payments

Easy to manage investments

Income for life

Stable and secure

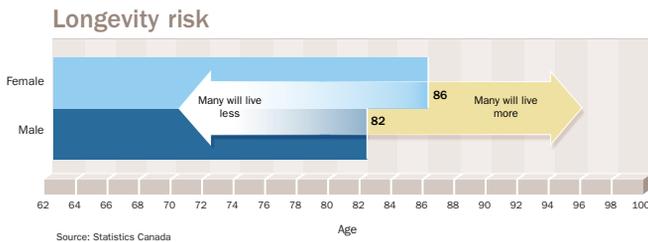




As you age, your chances of living longer increase. Improved life expectancy can be a financial risk if you have not planned for sufficient income to last a lifetime. Planning for your retirement income needs can help make sure you won't run out of money during your lifetime.

Situation	Need	Potential solution
I don't want to run out of money.	Sustainable income	Life annuities
I don't want my income to decrease.	Guaranteed income	Life annuities

## Canadians are living longer



According to Statistics Canada, a 65-year-old today can expect to live an average of about 20 more years, to age 85. But this is just an average, which means many can expect to live beyond age 85 including some who will die in their 90s and others who will reach age 100 and beyond.

## Key advantages of annuities

- Provide a regular income stream for retirement or to fund a major expense (e.g. mortgage, ongoing health care, vacation, etc.).
- Payments continue for life, or a designated term regardless of stock market or interest rates.
- As part of a diversified retirement plan, annuities reduce risk and add stability.
- Ideal to top-up retirement income.
- Annuities can create personal pension plans for those without pension plans.
- Annuities are suitable for people who can't or don't want to actively manage some or all of their capital.
- With a life annuity, you will never outlive your money.
- Cashable feature, when available, allows access to funds\*.

\*Availability of this feature and the cashable value of the policy is set out in the terms of your contract.

## Payout annuities

### The cornerstone of your retirement income planning

The **annuity** is a simple yet powerful product. In basic terms, an annuity is a financial product provided by a life insurer who, in return for a lump sum premium, **pays you a regular income for a fixed period of time or for the rest of your life.**

Annuities are ideal for transferring a lump-sum amount into a dependable income stream, for example, when you need to convert your registered retirement savings plan (RRSP) to an income product. At that point, you can convert all or part of the funds you've carefully accumulated prior to retirement, into a vehicle that provides steady, dependable, management-free income.

Many people, no matter what other investments they choose, make an annuity the cornerstone of their retirement planning. Selecting your retirement income is one of the most important financial decisions you will make.

## Types of Canada Life annuities

Canada Life™ offers a variety of annuities you can customize to meet your specific needs. You can use your registered or non-registered assets to purchase an annuity.

### Single life annuity

A single life annuity provides you with an income for as long as you live. Convenient and practical, a life annuity ensures you won't outlive your money.

### Joint life annuity

This annuity is payable while either you or your spouse are living. When one spouse dies, the survivor will continue to receive income payments as agreed upon when the annuity contract was established. The same income can continue to the surviving spouse, or it may be reduced by a given percentage (reducing on the first death or annuitant death option).

### Term certain annuity

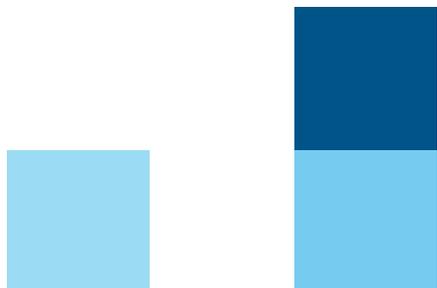
This annuity provides you with a set number of payments. For a non-registered annuity, the minimum term is three years.

## Annuity options

Choose from the following options and features to enhance your annuity to suit your needs. Some options don't apply to every type of annuity, so consult your advisor\* for details.

### Guaranteed term

Payments can be guaranteed for a specific term (e.g. five years). On its own, this is a term certain annuity. When included in a life or joint life annuity, upon your death/co-annuitant's death, this may provide guaranteed payments to your beneficiary, which will continue until the term expires.



## Indexing

To help offset inflation, you may choose to have income payments increase at a fixed annual rate, to a maximum of four per cent for registered annuities and six per cent for non-registered annuities.

## Prescribed

Subject to legislative restrictions, you may be eligible to have income from your non-registered annuity taxed in equal amounts for the life of your annuity. Prescribed annuities level out tax payments and provide more after-tax income up front.

## Deferred annuity

If you don't want to start receiving payments immediately, you can defer them to a later date.

With the guaranteed income option on a deferred annuity, you may be able to add a return of premium option; this allows for return of premium if the annuitant dies before payments begin.

## Impaired

Canada Life offers impaired annuities for people with health problems severe enough to affect their life expectancy. Income payments are higher than the standard life annuity and won't decrease, even if medical advances improve the annuitant's life expectancy.

## Cashable

This feature is automatically applied to all non-registered accrual life annuities, and allows you to access cash\* within the guarantee period if an unforeseen urgent need arises or if you want to reduce or stop income payments.

\*Availability of this feature and the cashable value of the policy is based on the terms of your contract.

## Cash refund guarantee

For life, and joint life annuities, you can opt to have a guaranteed payout of your original premium. If you die before the amount equal to your premium is paid to you, a cash payment equal to the difference of the two will be paid to your beneficiary.

## A point to consider

After you commit to the terms of an annuity, you cannot change them. Consult your advisor to ensure you establish a suitable income allocation plan and choose the products such as an annuity that best suits your needs.

## Why should I buy from Canada Life?

Canada Life is among the top-rated life insurance companies that account for most of Canadian annuity sales.

Annuities are a specialized financial product offered only by life insurers. When selecting an annuity, consider the stability of the company providing the future payments.

You want the insurance company to have the financial strength and stability to meet its full commitment to you.

Canada Life has received strong ratings on our financial strength and claims paying ability from the major rating agencies.\*\* For current information on Canada Life's ratings and financial strength, see [www.canadalife.com](http://www.canadalife.com).



This brochure has been prepared for general informational purposes only. It is not to be construed as providing you with legal, tax, financial or other professional advice. Canada Life will not be liable for any loss or damages whatsoever, whether directly or indirectly incurred, arising out of the use or misuse of, or errors or omissions, in any information contained in this brochure.

\*In Quebec, advisor refers to a financial security advisor for individual insurance and segregated fund policies; and to an advisor in group insurance/annuity plans for group products.

\*\*as rated by A.M. Best Company, Dominion Bond Rating Service, Fitch Ratings, Moody's Investors Service and Standard & Poor's Ratings Services at time of publication. Ratings are subject to change without notice.

Helping people achieve more™