

Employer Overview

Group Retirement Plans and the Option Plus Advantage



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Group Retirement Savings Plans

- Group Retirement Plan Options
- Why These Plans Are So Popular
- Empire Life Option Plus Group RSP



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Group Retirement Plan Options

- 1) Defined Contribution Pension Plans
- 2) Deferred Profit Sharing Plans
- 3) Group RSPs



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Defined Contribution Pension Plans

Contributions

- Can be vested
- Employer and employee contributions are specified within a formal arrangement
- Employer is required to contribute

Relatively high degree of

- Complexity
- Administrative costs
- Employer responsibility



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Deferred Profit Sharing Plans

Contributions

- Can be vested
- Based on profits
- Contribution maximums

Relatively Moderate degree of

- Complexity
- Administrative costs
- Employer responsibility

Note: "Connected persons" are not eligible to participate in DPSPs.



Group RSPs

A Collection of Individual RRSPs for
An Employee Group



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A Collection of Individual RRSPs

Contributions

- Immediate vesting
- Employer & employee contribution are optional

Relatively low degree of

- Complexity
- Administrative costs
- Employer responsibility



Employee's Perspective

The Solution: A Group RSP

- Convenient payroll deduction (*Forced Savings*)
- Building for retirement
- Reduced income tax withheld at source
- Access to a financial advisor
- Contributions are optional
- Investment portfolios can be customized to meet the needs of each plan member

The GRSP Advantage



	Individual RRSP	Group RSP
Monthly Salary	\$2,500	\$2,500
GRSP Contribution	\$0	\$300
Taxable Income	\$2,500	\$2,200
Tax Deducted at Source	\$443	\$369
Take-Home Pay	\$2,057	\$1,831
Individual RRSP Contribution	\$226	\$0
Available Income	\$1,831	\$1,831

*Assumed at-source deduction rate is:
 17.72% on taxable monthly income of \$2,500
 16.77% on taxable monthly income of \$2,200

GRSP Key Employee Benefits

Assumptions:

- \$226 Reduction in take-home pay:
 - \$226 Individual RRSP vs. \$300 GRSP
- Tax refund from Individual RRSP is not reinvested
- 7.5% Growth rate

Year	Individual RRSP	GRSP	GRSP Advantage
5	\$16,385	\$21,750	\$ 5,365
10	\$39,908	\$52,976	\$13,068
20	\$122,161	\$162,160	\$39,999
30	\$291,685	\$387,193	\$95,508



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Employer's Perspective

The Solution: A Group RSP

- Customized and flexible
- A variety of investment choices
- Minimal administration & reporting
- Minimal costs



Introducing Empire Life

“Option Plus Group RSP”



The Option Plus Advantage

- Competitive Investment Options
- Flexible Plan Design
- Easy Administration
- Low Cost Plan



The Option Plus Advantage

- Competitive Investment Options
 - Variety of Funds
 - No-load Funds
 - Strong Performance History
 - Competitive GIO Rates
 - Enhanced Rates (+0.125%)
 - Banded Rates
 - 45 day Rate Guarantee on transfers to the plan



The Option Plus Advantage

- Flexible Plan Design
 - Customized Plans: (Regular Vs. Structured)
 - Various degrees of employer control
 - Withdrawal Provisions
 - Ability to track employer contributions
 - Membership Optional (Min: 2 members)
 - Contributions Optional (\$10K/plan/yr; \$30/member/mo)
 - Potential Creditor Protection
 - Segregated Fund Guarantees
 - Resets
 - Ease of Administration



The Option Plus Advantage

- Low Cost Plan
 - No set-up fee
 - No annual fees
 - No-load segregated funds with guarantees

The Option Plus Advantage

Option Plus, the perfect solution!

- Adequate Retirement Funding for Employees
- Helps Employers Recruit & Retain Key Employees



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