



Protect the value of your investments regardless of how markets perform

Do you worry about the impact a market down turn might have on what you leave your family? Would you like to protect the value of your investments, regardless of how markets perform, so you can leave your loved ones as much as possible?

The Empire Life Guaranteed Investment Funds policy is an investment solution that can grow and protect the value of your investments. It offers a death benefit guarantee that is reset every year to capture growth.¹ If the market value of your investment is higher than the death benefit guarantee, the death benefit guarantee is automatically reset on the policy anniversary date to the higher value to lock in the growth in your investments.

Case Study

Below is a real life situation² of how an Empire Life Guaranteed Investment Funds policy protected an estate despite a decrease in the market value of the investment during COVID-19, ensuring that the beneficiary received the maximum proceeds.



On January 29, 2015, Jim, age 69, invested \$800,000 in an Empire Life Guaranteed Investment Funds 75/100 policy. His death benefit guarantee was \$800,000 from day one.³



He named his wife Linda as the beneficiary on the policy. By naming a beneficiary, the proceeds of the policy are paid out quickly and privately upon death, and may bypass probate and the estate settlement process.



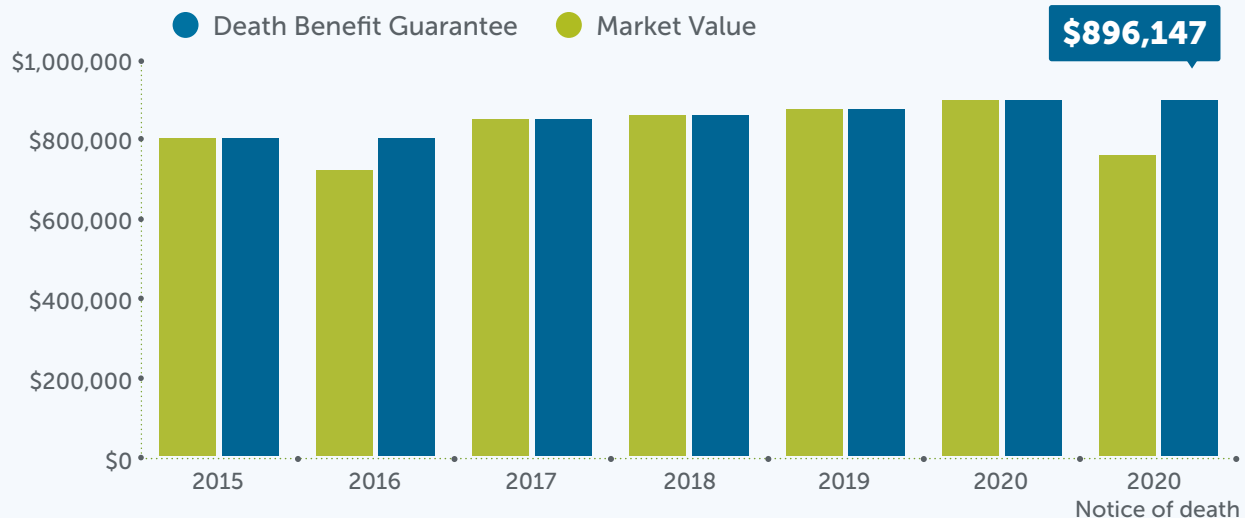
Each year, Jim's policy was automatically reset if the market value was higher than the death benefit guarantee, locking in any market gains. The last reset occurred on January 29, 2020 for \$896,147.



On April 20, 2020, Empire Life was notified that Jim had died. Due to market volatility from COVID-19, the market value of his policy on April 20 had decreased to \$758,271, less than his original investment. However, the death benefit guarantee remained at \$896,147 since it is guaranteed to not go below the last reset amount.



Linda received \$896,147 in death proceeds on April 27, 2020, just seven days later, and representing a top up of \$137,876 over the market value and protecting all their market gains.



The market values represented are hypothetical and for illustrative purposes only. They should not be considered representative of past or future investment performance. Initial investment: \$800,000.

Jim did not have to worry about the impact a market downturn could have had on his investments. With Empire Life Guaranteed Investment Funds, he knew his investment would be sheltered from a market downturn and that Linda would receive the greater of his death benefit or the market value.



Estate Planning Benefits

In addition to the Death Benefit Guarantee, segregated funds offer a variety of other benefits. For example, if Jim had invested in mutual funds, stock or bonds, the proceeds to Linda would have been substantially lower. Unlike other investments, benefits paid from a segregated fund contract can bypass the estate upon death. Proceeds are paid directly to the beneficiary, in this case Linda, without being subject to the estate administration/probate process and associated taxes or fees. This allowed Jim to leave a legacy upon death that was quick, private and cost-effective.

	Segregated Fund Contracts	Other Investments (mutual funds, stocks, bonds)
Investment value	\$896,147 Death Benefit Guarantee on April 20, 2020	\$758,271 Market Value on April 20, 2020
Estate Administration Tax ⁴ (ON)	\$0	\$11,374
Legal fees (3-5%)	\$0	\$22,748
Executor fees (3-5%)	\$0	\$22,748
Estimated total cost upon death⁵	\$0	\$56,870
Net proceeds	\$896,147 Paid quickly and directly to Linda and the details are kept private	\$701,400



Linda could receive an extra \$194,747, or 28% more, because of Jim's decision to invest in Empire Life GIF

About Empire Life Guaranteed Investment Funds

- Automatic annual death benefit guarantee resets until age 80 to lock in market gains
- Open contracts and make deposits to age 90 — with 100% death benefit guarantee on deposits if contract opened before 80
- May bypass estate and probate fees if you name a beneficiary other than your estate
- Diversified investment choices ranging from fixed income to 100% equity, including our tactically managed programs Emblem GIF Portfolios and Multi-Strategy GIFs⁶
- Enjoy lower costs with GIF Preferred Pricing starting at \$500,000 per household
- Consumer protection⁷

The Empire Life Insurance Company

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The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products, including mutual funds through our wholly-owned subsidiary Empire Life Investments Inc.

Empire Life is among the top 10 life insurance companies in Canada¹ and is rated A (Excellent) by A.M. Best Company². Our mission is to make it simple, fast and easy for Canadians to get the investment, insurance and group benefits coverage they need to build wealth, generate income, and achieve financial security.

Follow Empire Life on Twitter @EmpireLife or visit our website, www.empire.ca for more information.

¹ Based on total assets as reported in December 31, 2018 OSFI filings

² As at June 14, 2019. For the latest rating, access www.ambest.com.

¹ Death and Maturity Benefit Guarantees ranging from 75% to 100%. The contract also provides for a Maturity Benefit Guarantees ranging from 75% to 100%. Please refer to the Information Folder for further details.

² While this case study is based on an actual scenario that occurred in 2020, the names of those involved have been changed to protect their privacy.

³ 100% death benefit guarantee is available on contracts issued before the Annuitant's 80th birthday, otherwise 75% of net deposits. The death benefit guarantee is reduced proportionately for withdrawals.

⁴ Known in other provinces as probate fees. For illustrative purposes only. Example uses Ontario estate administration tax of \$15 per \$1,000 for estates over \$50,000 but probate fees applicable in other provinces differ by province. Other costs can vary depending on the complexity of the estate.

⁵ Estimated total costs upon death. There may be other costs during the life of the contract.

⁶ Empire Life Emblem GIF Portfolios currently invest primarily in units of Empire Life Mutual Funds. The Simplified Prospectus and other information about each of the underlying mutual funds are available on the SEDAR website at www.sedar.com or at www.empirelifeinvestments.ca. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

⁷ The Empire Life Insurance Company is a member of Assuris. Assuris is the not for profit organization that protects Canadian policyholders in the event their life insurance company fails. Details about Assuris' protection are available at www.assuris.ca or by calling the Assuris Information Centre at 1 866 878-1225.

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.**

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Speak to your advisor to get Empire Life Guaranteed Investment Funds working for you.

Insurance & Investments – Simple. Fast. Easy.®
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