



www.inalco.com
www.iapacific.com

INVESTMENTS
ECOFLEX

RETIREMENT INCOME
ECOFLEXTRA

WHO LETS YOU SAVE SHELTERED FROM TAX?

Why choose our Tax-Free Savings Account?

Considering that saving requires discipline, no matter what reasons motivate you, it's essential to choose a reliable partner so that you can maximize your savings.

Advantages of our TFSA:

- › Exceptional guarantees on sums invested and generated by investments in your Ecoflex and Ecoflextra contracts (segregated funds)
- › Wide range of innovative products (daily interest funds, guaranteed interest funds and segregated funds)
- › Possibility of protecting your savings from creditors*
- › Estate value is protected upon death thanks to the designation of a beneficiary (no probate fees)
- › Continuity of your contributions in case of disability*
- › Professional financial advisors

*Certain conditions apply.

The fourth largest life and health insurance company in Canada, Industrial Alliance is a Canadian leader in financial products and services. The company is recognized for its solidity, its expertise and the confidence it inspires today and for the years to come.

Industrial Alliance a partner you can trust for your Tax-Free Savings Account!

Wait no more!



A PARTNER YOU CAN TRUST.



F13-710A



The TFSA is the biggest innovation to encourage personal savings since the creation of the Registered Retirement Savings Plan (RRSP) by the government of Canada.



The **Tax-Free Savings Account (TFSA)** is a unique savings program (beyond RRSPs) now offered to help you:

- › Save money to pursue personal projects, tax free
- › Protect income generated by fund earnings (existing investments, investment income, inheritances, donations, etc.) that you would like to place in a tax shelter
- › Maximize your savings with retirement in mind

When should I choose a Tax-Free Savings Account?

- › I have no debts on my personal property
- › I have non-registered savings
- › I have used all my RRSP contribution room
- › I'd like to do some short-term projects, like home renovations or acquiring a car
- › I'm a retiree who used up my RRSP contribution room or I'm older than 71 and I'd like to continue to save free of tax
- › I foresee a taxation rate at retirement higher than during my working career
- › The taxation rate at the beginning of my career is low and I prefer to use my RRSP contribution room later when my income will generate greater tax savings
- › I'm a self-employed worker whose net income is not high enough to generate a substantial tax return

What are the advantages of a TFSA?

Simple and accessible to everyone

If you're a Canadian resident age 18 or older, you can contribute up to \$5000 annually in a tax-free account, regardless of your income.

Tax free

Any earnings generated (interest, capital gains or dividends) in the TFSA, as well as withdrawn, are not taxable.

Cumulative contribution room

Unused contribution room accumulates indefinitely.

Ease of withdrawals

You can withdraw at any time without penalty*. There is no restriction as to the use of withdrawals. It can even be re-deposited into the account again.

Ideal complement to an RRSP

The TFSA investment instrument complements an RRSP, as an efficient way to save and put more money towards your retirement.

No affect on income-based government benefits

Neither the TFSA contributions nor the earnings affect eligibility for the Guaranteed Income Supplement, Old Age Security, the Canada Child Tax Benefit or other government benefits based on income.

Wide range of investment possibilities

You have the freedom to choose the funds – daily interest, guaranteed interest and a wide range of segregated funds – that reflect your needs.

Practical income-splitting tool

A couple can contribute to two TFSAs even if one of them has no income.

Collateral assignment

It's possible to assign the assets of a TFSA.

What are the main differences between a TFSA and an RRSP?

	TFSA	RRSP
Registration	Registered	Registered
Age for eligibility	Age 18	None
Age limit to contribute	None	Age 71
Annual contribution limit	\$5,000 (regardless of earned income)	18% of earned income, less the pension adjustment (maximum \$20,000 for 2008/\$21,000 for 2009)
Contribution deduction	No	Yes
Taxation on withdrawal	No	Yes, fully
Withdrawals and contribution room	Contribution room can be recovered in full when sums are withdrawn	All contribution room is lost when sums are withdrawn
Eligibility for government programs	As withdrawals are not added to income, they do not change eligibility	Withdrawals, which are added to income, can change eligibility
Collateral assignment	Can be assigned as collateral	Cannot be assigned