

RETIREMENT INCOME

RRIF › Registered Retirement Income Fund

**WHO CAN HELP YOU MAKE THE
RIGHT CHOICE FOR YOUR RETIREMENT?**



A PARTNER YOU CAN TRUST.



The RRIF, the logical continuation of your RRSP

IT'S TIME! After years of working and postponing projects, the time has come for you to retire. Now you can fulfil your dreams with the ones you love.

The RRIF, the perfect choice that allows you to enjoy your retirement!

Now you have to make the decision to convert the amounts you have accumulated in your registered retirement savings plans (RRSP) into a source of income, so you can take full advantage of a well-deserved retirement, free from financial worries. The retirement income option you choose will have a definite impact on your future lifestyle. It is therefore extremely important that you seek the advice of your advisor.

An in-depth analysis of your financial situation and your personal objectives with your advisor will help you identify the different retirement income plans that best meet your needs.

The RRIF is simply the natural extension of your RRSP and allows you to utilize the savings you have accumulated throughout your working life. With a RRIF, you periodically withdraw a portion of your investments based on your personal needs, and your asset value continues to accumulate interest in a tax shelter.

However, all RRIFs must conform to certain tax regulations. First, you have until December 31 of the year you reach age 71 to convert the amounts invested in your RRSP into a RRIF. Each year, you must also withdraw a minimum amount prescribed by law. (See the calculation table of minimum income).

How will your retirement income be paid?

The RRIF offers simple and automatic management of your retirement income and investments.

When you convert your RRSP into a RRIF, you simply specify the order of investment options that you want to draw your retirement income from or the percentage to be withdrawn from each investment.

You can have your income deposited directly into your bank account or we can send you a cheque, whichever is most convenient for you.

What's more, your retirement income and all additional withdrawals are made with NO SURRENDER FEES, for up to 20% of the value of your contract at the beginning of each year. An exceptional advantage!

Can you withdraw additional amounts?

Of course! In addition to the retirement income you periodically withdraw from your RRIF, we offer you the possibility of making lump-sum withdrawals at any time. The outstanding flexibility of the RRIF lets you take advantage of special opportunities or deal with the unexpected.

The RRIF offers you security and peace of mind!

Calculation table of minimum income

Age as at January 1	% of fund
55	2.86%
56	2.94%
57	3.03%
58	3.13%
59	3.23%
60	3.33%
61	3.45%
62	3.57%
63	3.70%
64	3.85%
65	4.00%
66	4.17%
67	4.35%
68	4.55%
69	4.76%
70	5.00%
71	7.38%
72	7.48%
73	7.59%
74	7.71%
75	7.85%
76	7.99%
77	8.15%
78	8.33%
79	8.53%
80	8.75%
81	8.99%
82	9.27%
83	9.58%
84	9.93%
85	10.33%
86	10.79%
87	11.33%
88	11.96%
89	12.71%
90	13.62%
91	14.73%
92	16.12%
93	17.92%
94 and +	20.00%



How much should you withdraw each year?

To properly meet your retirement income needs, certain important factors must be taken into consideration:

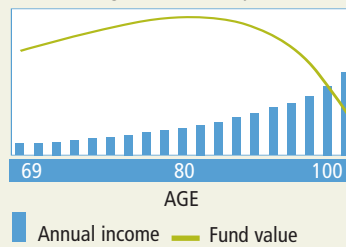
- › Your various sources of income at retirement;
- › The amounts you need to cover your present expenses;
- › The additional amounts you need to fulfil your plans when you retire;
- › Protecting your retirement income against inflation.

To help you choose from the different retirement income options available, the following graphs illustrate the evolution of the annual income and the value of the fund.



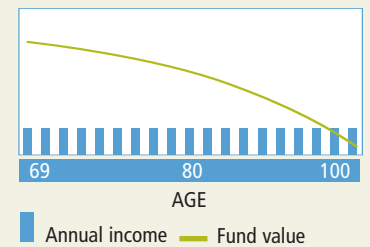
Minimum income

- › Annual minimum income prescribed by law
- › Maximum tax deferral
- › Protection against inflation (increasing income each year)



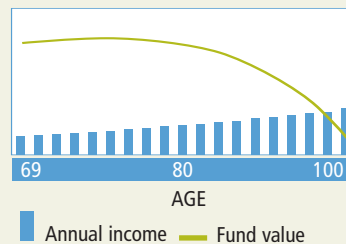
Level income

- › Same income year after year
- › Obtain higher income from the start



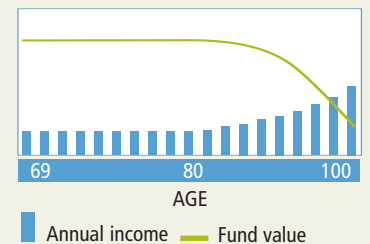
Indexed income

- › Increasing income according to the index rate chosen (maximum 8%)
- › Total or partial protection against inflation
- › Increase in income with no intervention on your part



Interest income only

- › Income equal to the interest generated by guaranteed investments (until the minimum income is higher)
- › Capital conservation



Advantageous investment options

The RRIF offers various investment options to meet your personal financial objectives.

The range of investment options offered for the RRIF is similar to those in our RRSP. This allows you to retain the composition of your RRSP investment portfolio for your RRIF. You also have the freedom to modify your portfolio to fit your short- and medium-term investment strategy.

All of our investment funds have a guarantee at maturity and at death. Like a parachute, this guarantee is designed to slow the descents caused by possible stock market downturns. It protects the value of your savings, an appreciable advantage that you will be able to count on when you need it most.

Life Income Funds (LIFs)



As with RRIFs, Life Income Funds (LIFs) are designed to allow people who have accumulated funds in a Locked-In Retirement account (LIRA) or a defined contribution pension plan to generate a retirement income that's adapted to their needs.

Other than the source of the funds, LIFs are similar to RRIFs, except that they provide a maximum annual payment. In exceptional cases, it's also possible to draw a higher annual income.

Excellent reasons to choose the RRIF

The RRIF offers you maximum flexibility, with tax-sheltered growth of your capital and the ability to adapt your retirement income to meet your needs.

Important Advantages

- › No surrender fees for withdrawing up to 20% of the value of your contract at the beginning of each year, for both periodic and lump-sum withdrawals;
- › No annual administration fees;
- › No fees for converting your RRSP into the RRIF.

Maximum flexibility designed to provide you with a custom-made retirement income

- › Ability to modify your retirement income;
- › Ability to change funds that your retirement income is drawn from;
- › Ability to convert all or a portion of your RRIF into an annuity;
- › Lump-sum withdrawals available at any time;
- › Transactions can be made at all times; a transaction fee may apply.

Increased financial security

- › All amounts invested in our investment funds come with a guaranteed minimum value at maturity and at death before maturity;
- › All amounts invested in your Registered Retirement Income Fund may be protected from creditors depending on the designation of beneficiary;
- › At death, the total funds accumulated in your RRIF can be paid to your spouse or the entire amount can be transferred to your spouse's RRIF at no charge, or paid to the designated beneficiary.

About Industrial Alliance and Industrial Alliance Pacific

Industrial Alliance and Industrial Alliance Pacific are united in their mission to offer insurance and financial products adapted to each stage in life to provide you with peace of mind.

The fourth largest life and health insurance company in Canada, Industrial Alliance is at the head of a large financial group which has operations across the country, as well as in the Western United States. The company contributes to the financial wellbeing of over three million Canadians, employs more than 3,300 people, and manages and administers over \$49 billion in assets. Industrial Alliance, whose stock is listed on the Toronto Stock Exchange under the ticker symbol IAG, is among the 100 largest public companies in Canada.

Contact one of our financial advisors for personalized service. They will help you plan a financial future that meets your needs and lifestyle.

