

savings and
investments

Retirement income

LifeAnew

A deferred life annuity that's 100%
guaranteed for life

Unlike anything else on the market



beneva

The ideal product to help you plan your retirement

You know proper planning is essential to a successful retirement, but where should you start? How do you know if you've correctly evaluated your financial needs? What will be your sources of income? How much do you need to set aside and how will you go about it?

Beneva has the answer and the solution to all of these questions: LifeAnew.

LifeAnew is a new, exclusive product unlike anything else on the market. It's designed to make it easier for you to plan your retirement. As a deferred life annuity, it will provide you with a retirement income or income supplement that is guaranteed for life. LifeAnew is a simple product that combines the stability of savings with the guarantee of retirement income during the accumulation period.

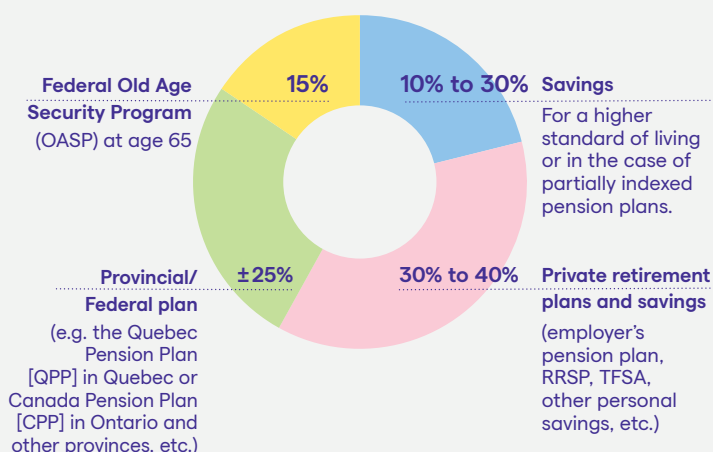
Overview of factors influencing retirement

What kind of retirement income is available?

In general, an individual will need **70%** of his or her average gross annual income for the last 3 years worked to maintain the same lifestyle during retirement. However, to enjoy a higher standard of living and make retirement dreams come true (such as vacations, a second home or home renovations), up to **80 to 100%** of gross annual salary may be required.

Individuals who have access to a pension plan through their employer can count on this providing **30 to 40%** of the income they need. If this is not the case, they will have to provide **40 to 70%** of their own retirement income. Refer to the table below.

Table 1: Retirement income distribution



LifeAnew is a product with a clear and simple approach – “clients tell us how much they want when they retire, and we tell them how much they need to save.”

What will your real financial needs and expenses be when you retire?

When you retire, your work-related expenses will be lower, or may be eliminated altogether. That said, the amount you spend on health care and on social and leisure activities will likely be higher.

Table 2: How your expenses add up

Expenses	Eliminated	Reduced	Unchanged	Increased
Social and leisure activities				✓
Food costs			✓	
SPP* contributions	✓			
RRSP contributions	✓			
Provincial/Federal pension plan contributions	✓			
Professional dues	✓			
Union dues	✓			
Employment Insurance contributions	✓			
Parental insurance contributions	✓			
Vehicle maintenance			✓	
Travel costs		✓		
Vacation expenses				✓
Income tax		✓		
Housing			✓	
Healthcare				✓
Clothing		✓		

Source: Guide to Financial Planning for Retirement, 2009-2010 edition
*SPP: Supplemental Pension Plan

What impact will inflation have on your income?

Find out how much income you’ll need to sustain your purchasing power, based on the number of years you spend in retirement and assuming a 2.5% annual inflation rate.

Table 3: Income based on a 2.5% annual inflation rate

Retirement income	5 years later	10 years later	20 years later	30 years later
\$50,000	\$56,570	\$64,004	\$81,931	\$104,878
\$75,000	\$84,856	\$96,006	\$122,896	\$157,318
\$100,000	\$113,141	\$128,008	\$163,862	\$209,756
\$150,000	\$169,712	\$192,012	\$245,792	\$314,636

Source: Retirement Insight & Research

LifeAnew is for workers who...

- Are age 40 to 60
- Want to maintain their lifestyle when they retire
- Are looking to receive a guaranteed income all their life
- Are not able to benefit from a pension plan through their employer or who have a reduced pension fund
- Are ready to commit to a long-term investment (10-year investment horizon)
- Are concerned about not having sufficient income during retirement if their spouse were to pass away
- Have RRSP assets or room
- Have a Locked-in Retirement Account (LIRA)
- Are interested in receiving an annuity for life

Statistics

- In the past, people worked for an average of **45 years** and retired at age 65. The average life expectancy after retirement was around **7 years**.¹
- Today, people tend to enter the job market later (between the ages of 20 and 30) and work for some **30 to 35 years**. Life expectancy has since increased by an average of **17 years** for men and **21 years** for women.²
- Only **5.9 million Canadians** contribute to a registered pension plan (employer-sponsored plan), which equates to some 38.3% of all paid workers.³
- According to **62% of Canadians who are actively employed**, the ideal financial product for retirement would guarantee a minimum return with no financial risk.⁴

Benefits of the LifeAnew Deferred Life Annuity

To cover the factors that can influence your retirement lifestyle and options, and to ensure you can live your retirement to the fullest, Beneva's deferred life annuity offers valuable benefits.

- **Unlike anything else** on the market and **exclusive** to Beneva
- **Tax deductible** as an RRSP contribution
- Eligible for a locked-in retirement account (LIRA)
- **Simple, guaranteed** and with **no unpleasant surprises** – find out today exactly how much you need to save to get the retirement income you want
- Annuity payments that are **100% guaranteed for life** by Beneva and Assuris
- A way to save money without worrying about stock market fluctuations

The solution that takes everything into account

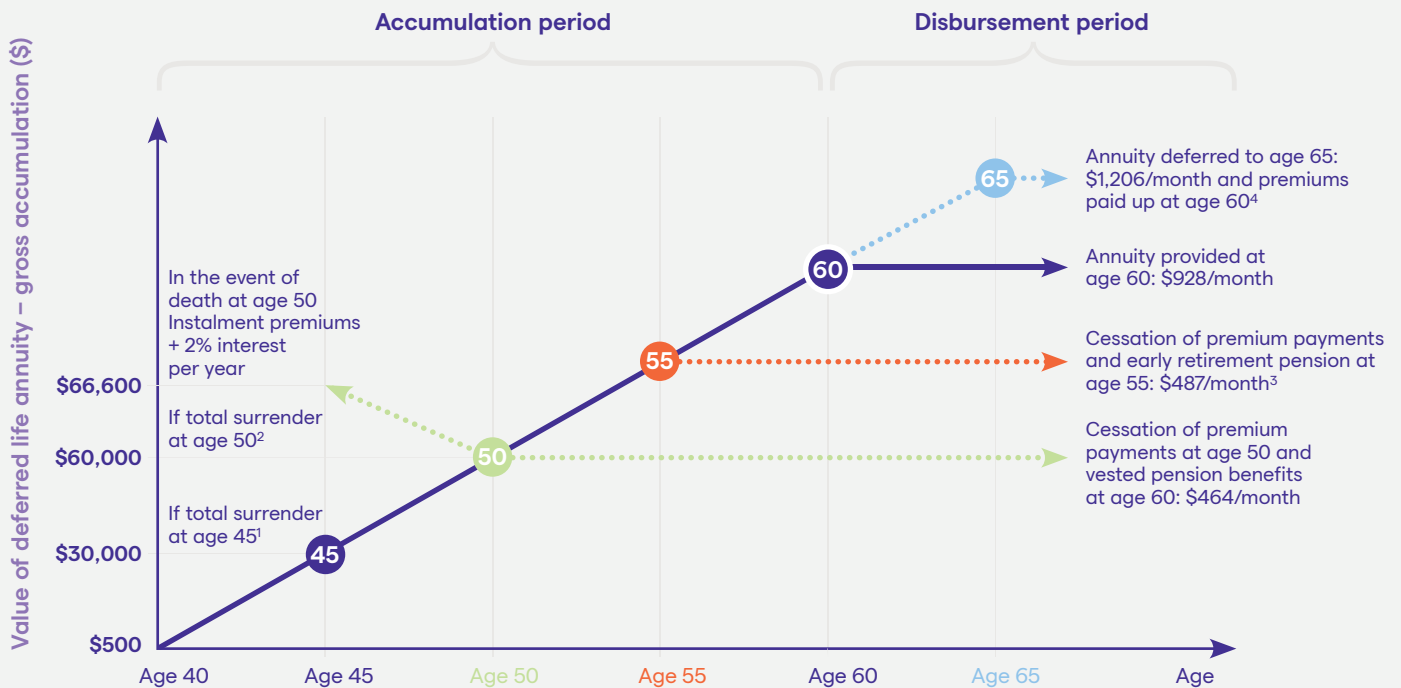
When planning their retirement income, many workers feel vulnerable and worry about having enough money. This is particularly true for individuals who are self-employed, contract workers and those who don't have access to an employer-sponsored pension plan.

When you think about income, expenses and the effect that inflation can have on purchasing power, having a sound financial strategy is a must. LifeAnew is a simple solution to help you meet this need and provide an income that's 100% guaranteed, so that you can maintain your standard of living when you retire.

Table 4: Typical example for a self-employed individual

To illustrate how the annuity works, here is an example showing various retirement scenarios for a 40-year old male who has opted to take out an instalment premium deferred life annuity.

- Instalment premium of **\$500 per month** for the LifeAnew deferred life annuity
- Planned age at disbursement: **Age 60**
- Projected death benefit based on a 2% interest rate
- The annuity shown is illustrated as at July 27, 2011



Note: This representation of the instalment premium deferred life annuity is provided as an example only. To obtain a personalized income scenario, we recommend using the deferred life annuity calculator in Strategis. In the event of any discrepancy between this illustration and the provisions of the contract, the latter shall prevail.

1. Total surrender after five years of accumulation

If the instalment premium deferred life annuity is surrendered, in whole or in part, before the end of the seventh year following the effective date of the contract, only a portion of the accumulated value will be reimbursed to the contractholder, and the amount of such reimbursement may be adjusted up or down to take into account the market value on the surrender date.

2. Total surrender after 10 years of accumulation

The illustrated amount is calculated taking into account full reimbursement of the accumulated value, based on the reimbursement percentage table provided under the contract. The accumulated value is then adjusted up or down according to the market value on the surrender date.

3. Disbursement date brought forward

- by up to five years
 - Annuity amount adjusted to reflect the reduced accumulation period.
 - Annuity is reduced by 6% per year brought forward.

4. Disbursement date deferred to up

- to five years later
 - Premiums are paid-up as of the original disbursement date.
 - Annuity is increased by 6% per year deferred.

LifeAnew Technical Information

	Instalment premium contract	Single premium contract
Minimum premium	\$100/month	\$5,000
Maximum premium	\$1,000/month	\$500,000
Minimum monthly annuity	\$50/contract	\$50/contract
Maximum monthly annuity	Calculated according to maximum premium	Calculated according to maximum premium
Waiver of premiums	Available	Not available
Surrender ⁵ and partial surrender ⁵	<ul style="list-style-type: none"> • % reimbursement based on number of years of accumulation • Adjusted up or down based on market value 	Adjusted up or down based on market value
Surrender after the disbursement date	Not eligible for surrender after the disbursement date	
Reinstatement	Available within 2 years	
Type of contract	RRSP and LIRA (registered in Quebec and Ontario)	
Age at issue	Between 40 and 60	
Age at disbursement	<ul style="list-style-type: none"> • Between 55 and 70 • Minimum accumulation period of 10 years 	
Changing the disbursement date	<ul style="list-style-type: none"> • 5 years BEFORE the scheduled date: Adjustment of annuity payment amount and reduction of 6%. • 5 years AFTER the scheduled date: Bonus of 6% per year and no more instalment premiums to pay after the disbursement date scheduled in the contract. • If the client has more than one coverage under the same contract, the dates on all coverages must be modified. 	
Death benefit	<ul style="list-style-type: none"> • Before the disbursement date: Premiums paid PLUS 2% per year from the effective date to the date of death. • After the disbursement date: Premiums paid PLUS 2% per year from the effective date to the disbursement date LESS the total of the annuity payments paid out up to the date of death. 	

Guided by the values of mutualism on which it was founded, Beneva works with people to build, protect and value what they feel counts for their financial security.

To find out more about the numerous benefits associated with Beneva's products, contact us or visit our website.

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Beneva designates La Capitale Civil Service Insurer Inc. as insurer. Contracts are issued by La Capitale Civil Service Insurer Inc.

5. In the event of the total or partial surrender of the single premium or instalment premium deferred life annuity prior to the disbursement date, the accumulated value of the contract is adjusted upwards or downwards to take into account the market value on the surrender date. Moreover, if the instalment premium deferred life annuity is surrendered, in whole or in part, before the end of the seventh year following the effective date of the contract, only a portion of the accumulated value will be reimbursed to the contractholder, and the amount of such reimbursement may be adjusted up or down to take into account the market value on the surrender date.

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