

What is a deferred annuity?

Deferred annuities are a type of investment available only through an insurance company. They are a dependable and secure savings option that gives you the opportunity to build your investment over time.

If you're a conservative investor with a need for guaranteed investment growth, a deferred annuity is a good foundation for your retirement fund and a convenient way to save for other long-term goals.

Every deferred annuity has two phases:

- The accumulation phase, during which you contribute to your annuity and your investment grows as interest is credited.
- The payout phase, when the investment you have accumulated is paid out to you. The 'deferred' part of the annuity name means your payout is deferred to a future date.

Deferred annuities earn a guaranteed interest rate over a specified investment term, and the annuity value is guaranteed to never be lower than the amount you have contributed. An added advantage of deferred annuities is their potential for estate preservation. When you name a qualified beneficiary, your deferred annuity will be protected against seizure by creditors and against probate at death.

What are the advantages of deferred annuities?

- Guaranteed death benefit - no penalty at death
- Potential creditor protection
- Probate protection - with qualified designated beneficiary

Your representative:

This brochure is provided for information purposes only; it does not form part of the Annuity Plus insurance contract and is not intended to amend, alter, or change any of the terms and conditions of the contract. Please refer to the Annuity Plus insurance contract for complete terms and conditions.

Foresters Life Insurance Company

1660 Tech Avenue, #3
Mississauga, ON L4W 5S8

T 800 267 8777

foresters.com

Foresters

Foresters™ is the trade name and a trademark of The Independent Order of Foresters ("Foresters"), a fraternal benefit society. Its subsidiaries, including Foresters Life Insurance Company ("Foresters Life"), are licensed to use this mark. 405838 CAN (01/12)

Annuity Plus

Deferred annuity



Foresters your future

Foresters

Annuity Plus

Deferred annuity

Building for the future starts with a plan

Saving for tomorrow... today

Saving for tomorrow is an important part of planning for financial security during your retirement years.

When planning for your future, an Annuity Plus deferred annuity from Foresters™ can be a key part of your financial plan – one that can make reaching your retirement dreams a reality.

Consider the role that an Annuity Plus deferred annuity can play in your complete financial plan, as a vehicle for you to accumulate retirement funds. We're here to help you consider all your options and help put together a plan that meets your goals.

Your deferred annuity can be registered as part of your retirement savings plan if you wish, so that contributions are tax-deductible and your funds grow tax-deferred.¹

¹ Foresters, their representatives and employees, do not give legal or tax advice. The information given here is merely a summary of our understanding of current laws and regulations. Prospective purchasers should consult their tax or legal advisor.

Retirement planning

It's never too soon to start



Your deferred annuity can be registered as part of your Retirement Savings Plan (RSP), so that your contributions are tax-deductible in the year of the contribution. This is possible up to age 69, when your RSP must be rolled into a Registered Retirement Income Fund (RRIF), or used to purchase an immediate annuity.

At retirement your registered deferred annuity will typically be converted to a Registered Retirement Income Fund (RRIF), or an immediate annuity to begin an income stream. On the other hand, non-registered deferred annuities can be structured to generate a payout at any time, up to the maturity date you select.

When is the best time to buy?

When planning for retirement, the sooner you start saving, the longer your investment will have to grow before you need it.

Annuity Plus at a glance

If you wish, you can have up to three Annuity Plus deferred annuity certificates, one for each of the plans listed below.

1. Non-Registered Savings Plan
2. Registered Retirement Savings Plan (RRSP)
3. Locked-in Registered Retirement Savings Plan

Within each certificate you have the choice of a Daily Interest Account (DIA) and six different Guaranteed Interest Accounts (GIA terms of 1, 2, 3, 4, 5 and 10 years are available). An Annuity Plus deferred annuity can have multiple guaranteed interest accounts (GIAs), within the same certificate.

Affordable and convenient

Make monthly contributions of as little as \$50 or a lump sum deposit at any time. Start your Annuity Plus deferred annuity with a lump sum deposit (minimum applies) and then make periodic payments at regular intervals – weekly, monthly, annually – it's completely up to you!

Lump sum minimum amounts:

- For guaranteed interest accounts (GIA): \$1,000
- For Daily interest accounts (DIA): \$50

Deposits can be made through a convenient pre-authorized cheque program. And you can make an additional payment to your Annuity Plus certificate whenever you like, without penalty.

Guaranteed Interest

The accumulated value in your Annuity Plus certificate will grow as you make deposits and interest is credited at a pre-determined rate. Interest on the Daily Interest Account (DIA) is compounded daily at the current rate.

Interest on the GIA is compounded annually and credited daily. Foresters interest rates are competitive with other financial institutions. Your financial representative will confirm the current rates before you purchase your annuity.

Guaranteed Death Benefit

Your death benefit is also guaranteed. No penalties or other fees are payable by your beneficiaries at death.

Secure

Annuities offered through insurance companies provide several additional advantages for those seeking to protect their investment. Probate fees can be avoided at death if a qualified beneficiary is named. And, your Annuity Plus deferred annuity can also be protected against your creditors.

Accessible

Annuity Plus is fully redeemable – you can access all or some of your money whenever you need it. Several payout options are also available to you at maturity of your Annuity Plus certificate. It is important to note, in the case of GIA (set term) certificates, a market value adjustment may be applied if you withdraw or transfer some or all of your investment before the maturity date.

No Fees

Your Annuity Plus deferred annuity is not subject to fees or other administrative expenses.

There are four interest bands on Foresters Annuity Plus guaranteed interest accounts (GIAs):

Band 1: \$1,000 - \$9,999

Band 2: \$10,000 - \$24,999

Band 3: \$25,000 - \$49,999

Band 4: Over \$50,000

Confirm interest bands and current rates in advance with your financial representative.

Looking Ahead

By now, it's probably clear to you that Foresters Annuity Plus deferred annuity can be a flexible way to save for your retirement or other future goals – and it can have many additional benefits!

But how do you go about deciding what investment option is best for you? Your financial representative is best qualified to help you. He or she can conduct a confidential analysis of your needs and help you decide which Annuity Plus option is best for you.

With an Annuity Plus deferred annuity from Foresters, you'll be well on your way to making your dreams reality.

The added value of Foresters Membership

For 135 years, Foresters has put its prosperity and financial strength to work for those who matter most – our members – through improved products, value-added benefits of membership² and more.

At Foresters, we don't just sell financial products. We're members working together, helping each other and giving back to our communities.

As a Foresters member³, you can expect more than financial protection. As a member you may also be eligible to access complimentary member benefits including opportunities to attend fun Foresters events with your family, develop your personal skills, and make a difference by volunteering in your community.

And, as a member, you may qualify for a variety of other complimentary life, health and education benefits that go beyond life insurance to help you and your family get even more out of life. Foresters current member benefits include competitive scholarships, terminal illness benefit and orphan benefits to help children financially if they lose one or both parents.

Ask your financial representative to tell you more about Foresters complete member benefits package, or visit us online at: foresters.com.

Peace of mind

Life insurance is about protecting your loved ones and knowing you've planned for the future and met your responsibilities in life. Your financial representative is trained to help you understand your life insurance options, and can provide you with additional information about the value-added benefits available to you as part of your Foresters membership.

² These non-contractual member benefits, provided at no additional cost, are subject to eligibility requirements and limitations and may be changed or cancelled at any time.

³ The Foresters member is the primary insured under Annuity Plus.