

## Insurance Company Vs. Bank Guaranteed Interest Certificates

EXPERIENCE. TRUSTED ADVISORS TO ACCOMPLISHED ENTREPRENEURS.™

A GIC can preserve your savings while earning a higher interest rate than most savings accounts. When you purchase guaranteed investment certificates (GIC) from an insurance company instead of a GIC from a banking institution, there are some significant differences:

- **Estate bypass:** When you name someone as your beneficiary (rather than simply designating your estate as beneficiary, the cash value in your GIC flows directly to him/her quickly, bypassing estate and potential probate fees.
- **Potential creditor protection:** As a payout annuity, your investment may be protected from creditors, even if you declare bankruptcy.
- **Pension income credit:** If you're aged 65 or older, recent legislative changes mean an insurance company GIC may allow you to take greater advantage of the Federal Pension Income Tax Credit.
- **Flexibility to meet your needs:** Because your investment needs are unique, insurance company GIC's offer you the flexibility to customize a solution that's right for you. For instance, insurance companies offer GIC's in a savings policy for registered retirement savings plans (RRSPs), in non-registered plans and in an income policy for registered retirement income funds (RRIFs).

Other ways you can customize your GIO include:

If you need:	Insurance Company GICs provide:
Choice of investment terms	Guaranteed interest terms from 6 months to 5 years for savings policies and from 1 to 40 years for income policies.
Easy access to your cash when you need it	Redeem your GIC at any time, subject to a market value adjustment, any applicable fees and taxes, and current legislation.
Flexibility to use your interest how you prefer	Choose to have your interest compound and remain in your GIC to earn the original guaranteed interest rate, or for savings policies, have the interest paid to you monthly, quarterly, semi-annually or annually through the simple interest rate option.
Choice in the size of your investment	Open a GIC savings policy with as little as \$1,000. For income policies, a minimum investment of \$10,000 is required.
Protection against changing interest rates	We'll guarantee the interest rate in effect on the day you sign your application for up to 45 days while we wait to receive your funds. If we receive your funds after the 45 days, you'll receive the interest rate in effect on the day the application was signed or the interest rate in effect on the day we receive the funds, whichever is lower.
Effective short and long-term savings	Whether you're purchasing a home, saving for retirement, or earning retirement income, we have GICs you can purchase as a registered or non-registered policy.
Potential for enhanced interest rates and interest rate bonuses	Enhanced interest rates and interest rate bonuses may be available for your GIC. Ask your financial security advisor for more information.