



Insurance | Investments | Group Benefits

# Payout Annuities

Individual Wealth







# Life is Enough of a Puzzle

Take the guesswork out of retirement income planning.

## Will Your Savings Last Throughout Your Retirement?

It has taken a lifetime to save, and you want to ensure your savings will last throughout your retirement. With an Equitable® Payout Annuity you will receive guaranteed income in one easy, worry-free solution. We offer a wide range of income options that will allow you to build a retirement income solution that best suits your financial goals.

### Do You Want:

- Certainty that you won't outlive your savings?
- Stability of a guaranteed income?
- To turn your registered savings into retirement income?

## Flexibility

Equitable Payout Annuities offer a simple, yet effective solution that will work to meet your individual needs. Payout Annuities are as unique as you are and are ideal for:

- Individuals looking to cover a short or long term income need
- Converting registered savings to income
- Retirees looking for guaranteed income that will not be impacted by interest rates or market fluctuations
- Covering fixed regular expenses in retirement
- Eliminating worry of outliving your savings
- Providing guaranteed income for your spouse after your death
- Business owners without a company pension plan
- Tuition payments for a child or grandchild

## Product Options

Equitable has several Payout Annuity options to choose from, including:

### Life Annuity

Provides guaranteed income for the remainder of your life.

### Term Certain

Provides guaranteed income payments for a specific period of time (5 to 30 years depending on age at time of application).

### Joint Life Annuity

Provides guaranteed income for the remainder of your life and your spouse's life.

### Term Certain to Age 90

Provides guaranteed income until age 90.

## Guarantee Periods

Depending on your plan you can choose from 5 to 30 years of guaranteed payments. If you pass away before the end of the guarantee period, your payments can continue to a named beneficiary, or be distributed to your beneficiary as a lump sum.

## Indexed Payments

At the time of issue you have the option of indexing your payments by up to 2% each year. This helps to ensure that the value of your income payments are not eroded by cost of living increases that occur over the term of your contract.

## Registered Annuity

While saving for retirement, your registered investments have enjoyed the benefits of tax-sheltered growth. Income payments from Payout Annuities purchased with registered funds are fully taxable in the year you receive them.

## Prescribed Taxation

This tax option is unique to non-registered payout annuities. Policy owners enjoy preferred tax status and level taxation – two great benefits which can result in significant after-tax savings. These benefits are discussed below:

### Preferred tax status:

The Canada Revenue Agency (CRA) assigns a preferred tax status to prescribed life annuities, which allows only a portion of the interest income to be taxed. This provides significant tax savings in comparison to other non-registered investment options.

### Level taxable income:

Unlike other investments, a prescribed life annuity has a level taxation structure, which means the taxable amount is spread out evenly over the future life of the owner. As a result, the after-tax income is relatively consistent. This can help to ensure that essential expenses are covered, and help you to know the amount of discretionary income that is available each year.



## *Speak to your Advisor today to find out how an Equitable Payout Annuity can be incorporated into your personalized financial plan.*

When it comes time to receiving your payments there are various factors that will affect the income amount that you will receive, including:

<b>Age</b>	The longer the life expectancy, the lower your payments will be.
<b>Sex</b>	Life expectancies for males and females differ. Females are typically expected to live longer and therefore will receive lower payments.
<b>Interest Rates</b>	Your payment is based on the current long-term interest rate outlook.
<b>Amount of Deposit</b>	The larger your investment, the higher the income payments will be.
<b>Guarantee Period</b>	The shorter the guarantee period, the larger your payments will be.
<b>Indexing</b>	The higher your indexing rate, the lower your initial payment will be. However, over time the payment level will increase and ultimately become higher than the non-indexed payments.

## **A Payout Annuity is a lump sum investment that provides a guaranteed periodic income**

Key benefits:

- Guaranteed income for life or for a specific period of time
- Flexibility with payment frequency, length of guarantee, type of payout annuity
- No need to worry about market fluctuations or changes in interest rates
- Creditor protection – naming a beneficiary may protect income payments from creditors, subject to certain conditions
- Preferred tax treatment – enjoy tax-sheltered advantages
- Avoids probate – naming a beneficiary may help avoid the probate process
- Assuris guarantee – Equitable is a member of Assuris, the organization that provides protection to Canadian contract holders

## **The Certainty You're Looking For**

With Equitable's Payout Annuities, you have the flexibility to customize the plan that fits your needs. There is no need to worry about market fluctuations or sudden changes in interest rates, your investment will continue to provide you with secure and uninterrupted guaranteed payments for the term that you choose\*.

\* Subject to applicable legislation.

# About Equitable

At Equitable, we believe in the power of together. This is how we focus on our clients. It's how we support advisors and give back to our communities.

Partnered with advisors we offer insurance, investments and group benefit solutions to help our clients protect today and prepare tomorrow. We believe the world is better when we work together.



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