The Automatic Payment Increase Option is a disciplined approach to automatically increasing your pre-authorized payments on an annual basis. Small scheduled increases are a simple but effective way to accelerate your savings.

Why should I increase my savings each year?

Increasing your savings each year — even by a small amount — can have a substantial impact on your retirement savings. Some reasons to increase your savings include:

- You can reach your retirement savings goals in a shorter period of time, potentially fast-tracking the start of your retirement.
- As inflation increases, everyday purchases become more expensive over time. Saving more each year helps to offset the impact of inflation on your retirement savings.
- When your income levels rise due to a raise or promotion, your savings level should increase to keep your retirement savings in line with your increased standard of living.

Here’s how it works:

1. Make regular deposits: Establish pre-authorized payments on your Pivotal Select™ policy. You can choose to have the payments come out on a monthly, bi-weekly, or semi-monthly basis.
2. Elect the Automatic Payment Increase Option: Indicate the amount your payments will increase by each year, either as a dollar amount or a percentage.
3. Watch your savings grow! Your pre-authorized payments will be withdrawn according to your instructions, and will automatically increase every January by the amount or percentage you’ve chosen. If at any time you want to stop or decrease your payments, simply contact your financial advisor or Equitable Life’s customer service team.

The Automatic Payment Increase Option is an excellent way to supercharge your savings strategy, and position you for a more secure financial future.
Adam and Carrie are 30 years old and would like to start to put money away for retirement. Both of them decide to contribute $200 each month to a Pivotal Select segregated funds policy.

- Adam chooses to take advantage of the Automatic Payment Increase Option, and requests that his monthly contributions be increased by 5% each year.
- Carrie does not use the Automatic Payment Option. She plans to increase her monthly contributions at some point in the future, but despite her best intentions, never makes the changes.

## Savings Schedule

<table>
<thead>
<tr>
<th>Automatic Increase</th>
<th>Age 30</th>
<th>Age 31</th>
<th>Age 32</th>
<th>Age 33</th>
<th>Age 34</th>
<th>... to age 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adam</td>
<td>Yes, 5% annually</td>
<td>$200 per month</td>
<td>$210 per month</td>
<td>$221 per month</td>
<td>$232 per month</td>
<td>$243 per month</td>
</tr>
<tr>
<td>Carrie</td>
<td>No</td>
<td>$200 per month</td>
<td>$200 per month</td>
<td>$200 per month</td>
<td>$200 per month</td>
<td>$200 per month</td>
</tr>
</tbody>
</table>

**Market Value at age 65**

- **Adam**: $453,171
- **Carrie**: $222,609

Adam saved **more than twice as much** by using the Automatic Payment Increase Option.

To find out how the Automatic Payment Increase Option can be a powerful tool in helping you to reach your retirement savings goals, contact your financial advisor or Equitable Life’s customer service team at 1.800.668.4095.

Case study is for illustration purposes only. Values are rounded to the nearest dollar. Case study assumes regular contributions for 35 years with no withdrawals, and an annual rate of return of 5%. © denotes a trademark of The Equitable Life Insurance Company of Canada.

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