Equitable™

Insurance | Investments | Group Benefits

# Preferred Retirement Solution®

**Individual borrowing**

## Enhance your retirement income with an insurance solution.

When it comes to retirement, we all want to dream big! If your retirement savings aren't enough to reach your goals, the Preferred Retirement Solution can help.

Some life insurance policies have cash value that you can access. Use it as collateral for a tax-free bank loan to give you extra retirement income.[1] This loan can be paid back using the life insurance money when you pass away.[2]

## Put the Preferred Retirement Solution to work for you.

With the Preferred Retirement Solution, you redirect some of your money from taxable investments to a tax-exempt permanent life insurance policy. The policy is then used as collateral to help you get the bank loan.

- Collateral loan to supplement income at retirement
- Tax savings
- Larger estate for your beneficiaries

## Save taxes and grow your assets

- Moving money from your taxable investments to your life insurance policy may result in paying less tax over time.[3]
- The funds within the insurance contract grow on a tax-advantaged basis.
- Putting extra premiums into the contract can grow your values faster.[4]

## Enjoy your retirement

- Once the cash surrender value of your policy is large enough to meet the bank's loan rules, you may be able to apply for a bank loan using the insurance policy as collateral.[1]
- A bank loan can provide extra retirement income with tax-free dollars.
- At death, your life insurance can pay off the loan, with any balance paid to your beneficiaries.

## It could be the right solution for you if...

- ☑ You have taxable investments.
- ☑ You want to reduce the taxes you pay.
- ☑ You want to add extra income to your retirement.
- ☑ You want to leave money to your loved ones or a charity.
- ☑ You have an up-to-date Will.

*Ask your advisor how the Preferred Retirement Solution can benefit you.*

[1] With a collateral bank loan, the lender will be a third-party lending institution. Equitable does not guarantee availability of a loan from the third-party lending institution, loan minimums, qualification requirements, or other fees, terms, and conditions of the loan. These are determined solely by the lending institution and are subject to change. A collateral bank loan is not part of the life insurance contract.

[2] Depending on the terms of the loan agreement, the lending institution may require regular or periodic loan payments.

[3] The amount of any tax savings will depend on the nature of your taxable investment and assumes no taxes are triggered if investments are sold to fund premiums.

[4] The extra payment is limited to the amount required to maintain the tax-exempt status of the policy. For universal life, the policy may be credited positive or negative returns depending on the investment accounts selected. Review the product illustration for full details.

The Preferred Retirement Solution is a concept, not a product or a contract. It is based on current tax legislation and may change. This information does not constitute legal, tax, investment, or other professional advice. Readers are advised to seek professional advice prior to adopting any insurance or investment strategy.

® or ™ denotes a trademark of The Equitable Life Insurance Company of Canada.

1565_EN (2026/04/27)