



Guaranteed investments

Are all created equal?

The answer is a resounding NO. Guaranteed investments are ideal for prudent investors during all market conditions. An Equitable Life of Canada® Guaranteed Interest Account (GIA) and a Bank Guaranteed Investment Certificate (GIC), both offer the following:

- a guarantee of principal and a guaranteed rate of interest for the duration of the term.
- protection of up to \$100,000 against financial losses of the issuing financial institution (bank deposits are covered under Canada Deposit Insurance Corporation and life insurance cash values are covered under Assuris*).

Now, here are the big differences

Equitable Life GIA		Bank GIC	
Redeemable	Yes	Redeemable	Not always, often with a penalty
Beneficiary Designation	Yes	Beneficiary Designation	No
Estate Planning	Direct to beneficiary tax-free	Estate Planning	Included in estate
Pension Income Tax Credit	Yes**	Pension Income Tax Credit	No
Possible Creditor Protection	Yes	Possible Creditor Protection	No

Interest Rates – Equitable Life GIA rates are often higher and more competitive than bank deposit rates.

Redeemable – Many GICs are locked in for the duration of the term. Equitable Life GIAs can be cashed in before maturity, subject to a market value adjustment.

Beneficiary Designation – A non-registered GIC account cannot have a beneficiary designation, but a non-registered Equitable Life GIA account can. This means the proceeds can go directly to a named beneficiary tax-free.

Estate Planning – At death, the proceeds from a GIC usually incur probate, legal and executor fees, not to mention the time it takes to settle the estate. Equitable Life GIAs are an insurance product and do not have to pass through the estate. Your beneficiary may be paid directly and quickly, potentially avoiding estate-related fees.

Pension Income Tax Credit – GIC interest income does not qualify for the Pension Income Tax Credit, but Equitable Life GIA interest does. This means that an investor that is 65 or older may claim the first \$2,000 of interest on a non-registered account as eligible pension income.

Creditor Protection – GICs, by themselves, cannot offer protection to the owner from his or her creditors. Equitable Life GIAs are an insurance product and, therefore, may provide creditor protection to the policyowner from his or her creditors subject to certain conditions.

In addition to all this, you can have the assurance of knowing that your guaranteed deposits are with one of the strongest mutual life insurance companies in Canada.

Speak with your financial advisor to discuss the benefits of an Equitable Life Guaranteed Interest Account.

*The Equitable Life Insurance Company of Canada is a member of Assuris. Assuris is the not for profit organization that protects Canadian policyholders in the event their life insurance company fails. Details about Assuris' protection are available at www.assuris.ca or by calling the Assuris Information Centre at 1.866.878.1225.

**Tax laws are subject to change – consult your financial or tax advisor.

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