



# MAXIMIZE GROWTH FOR YOUR RETIREMENT JOURNEY

ANNUAL RESETS WITH  
SUN LIFETIME ADVANTAGE GIF

Life's brighter under the sun



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## Maximize growth for your retirement journey

**AS YOU APPROACH RETIREMENT**, you'll want to ensure you have lifetime guaranteed income when the time comes, but you may not want to give up market exposure that can increase your income.

With the annual reset feature of **Sun Lifetime Advantage Guaranteed Investment Fund (GIF)**, you can take advantage of positive market performance and interest rate increases to grow the amount of lifetime guaranteed income you'll receive in retirement.

### How does it work?

In the years before you start taking income, the minimum amount of lifetime guaranteed income automatically resets each year if market conditions and interest rates have been favourable. While some companies offer resets every three years (triennial resets), annual resets mean you're more likely to grow your investment and increase your future income as you capture this growth more often. If markets decline, your income will never decrease.

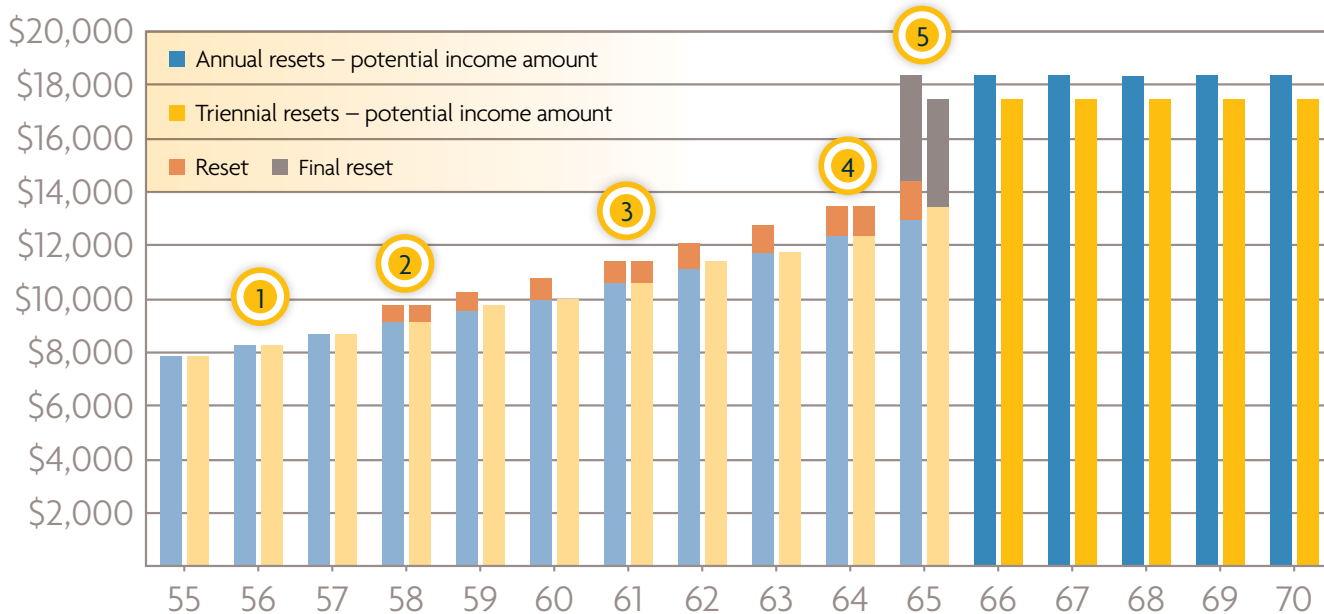
If you wait to take income, there's even more opportunity to benefit as your lifetime guaranteed income will grow over time thanks to higher income rates at older ages. This is in addition to the potential for more resets.

When you decide to take income, there may be one final reset based on a blend of positive market performance and rising interest rates, which can potentially increase your lifetime guaranteed income even further. This reset can be significant enough that it will provide a bigger boost than waiting for a triennial reset, giving you the potential for an immediate benefit.

### Resets compared – case study

Bob, 55 years old, deposits \$250,000 in Sun Lifetime Advantage GIF. His deposit grows until age 65 when he wants to start receiving retirement income. Over time, through income deferral, Bob's future lifetime guaranteed income increases, regardless of how the market or interest rates have performed.

Consider the following hypothetical scenario comparing annual vs. triennial resets if Sun Lifetime Advantage GIF offered triennial resets. The graph below shows how much more income is available with annual resets.



Economic scenario – historical model 1970-2014. 70/30 equity and fixed income. Interest 0 scenario. Annual MER: 3.85%.  
 Fixed income returns reflect the historical returns of 60% of the FTSE TMX Canada Long Term Bond (% total return) and 40% FTSE TMX Canada Canadian Treasury Bill 91 Day (% total return).  
 Equity returns reflect the historical returns of 60% of the S&P/TSX Composite Index and 40% of the MSCI EAFE Index. Historical returns: 1970-2014 is based on actual equity and fixed income returns during this period.



Deferral benefits grow the amount of potential income for both annual and triennial resets. There are no resets applied during this period due to market and interest rate performance, therefore the incomes based on annual and triennial resets grow at the same pace.



At age 58, there's a reset under both the annual and triennial scenarios due to favourable market and interest rate performance.



At age 59 and 60, market performance and interest rates are favourable, resulting in resets. Annual resets are shown by the orange bars. With triennial resets, income still grows due to deferral benefits, but no reset occurs (you can see the income growing more slowly).



The final triennial reset occurs at age 64.



At age 65, Bob decides to take income. With Sun Lifetime Advantage GIF he gets an annual reset, but under triennial resets he doesn't (his last one was at age 64). In either scenario, he's eligible to receive a final reset (the grey bars), but with an annual reset his lifetime guaranteed income is higher than in a triennial scenario. With annual resets, Bob receives lifetime guaranteed income of \$18,389.36 per year. With triennial resets, his lifetime guaranteed income is only \$17,494.75.



With resets every year, Bob receives \$894.61 – or 5.1% – more per year in this scenario than he would have with resets every three years.

Sun Lifetime Advantage GIF can help you grow your retirement income through your working years by capturing positive market performance and rising interest rates. And with annual resets, you're more likely to grow your investment and increase your future income than with triennial resets.



## Your journey with **Sun Life GIFs** starts here

As your advisor, I'm here to guide you along the way.  
Let's talk more to see if **Sun Lifetime Advantage GIF** is right for you.

For more information, please visit [sunlifetimeadvantagegif.ca](http://sunlifetimeadvantagegif.ca).  
To learn more about the complete suite of **Sun Life GIFs**, visit [sunlifegifs.ca](http://sunlifegifs.ca).

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Any amount that is allocated to a segregated fund is invested at the risk of the contract owner and may increase or decrease in value.

Sun Life GIFs are individual variable annuity contracts issued by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies.

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