

Individual Goals
Personalized needs
One Account

Tax-Free Savings Account (TFSA)



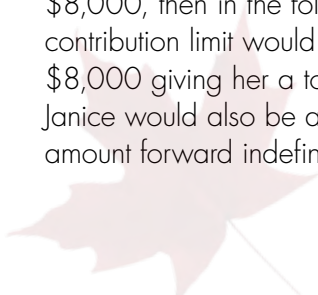
Equitable Life
of Canada®

With a Tax-Free Savings Account (TFSA) the options are virtually endless.

The Canadian Government has opened the opportunity to save more and faster regardless of what your needs may be.

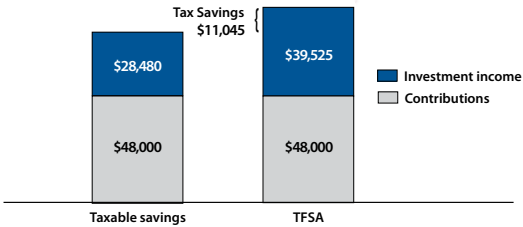
In 2009, Canadians will be greeted with the introduction of the Tax-Free Savings Account. What does this mean for you? For the first time, Canadians will have the opportunity to save and invest money in a registered account without paying capital gains on earnings. Each year residents of Canada, who are at least 18 years of age, will be allowed to invest up to \$5,000 into their TFSA (this is in addition to any other contribution limits).*

Deposits made into a TFSA will not be tax-deductible; however they will also not be taxed when withdrawals are made. Once a withdrawal has been made, contribution room will not be lost. In fact, for the following year the contribution will be \$5,000 plus the withdrawal amount. For example, if Janice had \$15,000 in a TFSA and she was looking to make repairs to her cottage and needed \$8,000, then in the following year her contribution limit would be \$5,000 plus \$8,000 giving her a total of \$13,000. Janice would also be able to carry this amount forward indefinitely.



The TFSA will allow Canadians to save more and reach their goals faster. For example, if \$200 a month was placed in a TFSA for 20 years it would accumulate to \$48,000 in tax-free growth. This would provide savings of \$11,045 in taxes.

TFSA Versus Unregistered Savings



Notes: Combined federal and provincial tax savings based on a \$200 monthly contribution for 20 years and a 5.5 per cent rate of return. For unregistered savings, a 21 per cent average tax rate on investment income is assumed (based on 40 per cent interest, 30 per cent dividends and 30 per cent capital gains, and a middle-income earning account holder).

Source: Government of Canada, Budget 2008

Whatever the need may be, savings is an aspect that affects every Canadian in a unique and individual way.

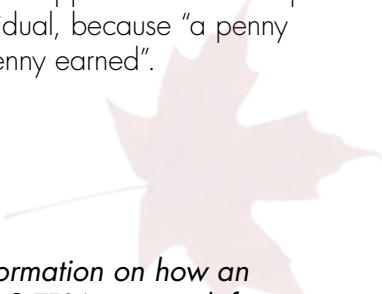
The TFSA will provide an additional savings outlet for many Canadians who still wish to save in a tax-free environment. TFSAs will provide seniors with tax-free savings to meet ongoing needs, and unlike Registered Retirement Savings Plans (RRSPs), withdrawals will not have to be made once they reach 71. Also, since withdrawing funds from a TFSA will not be considered income, then withdrawals will not impact government benefits such as Guaranteed Income Supplement, Old Age Security or the Canada Child Tax Benefit.

	RRSP	TFSA
Unused room carried forward	•	•
Contributions deductible	•	
Tax-free withdrawals		•
Tax-sheltered earnings	•	•
Plan does not wind-up at a set age		•
Recoverable room for withdrawn amounts		•
Spousal contributions (can max your own + spouse)		•
Withdrawals won't affect income tested benefits		•

Source: CALU Special Report – Budget 2008

*Equitable Life of Canada[®]
is working with you on the road
to your financial future.*

With a TFSA account the possibilities are endless and the opportunities are unique to each individual, because “a penny saved is a penny earned”.



*For more information on how an
Equitable Life[®] TFSA can work for you,
contact your Financial Advisor.*

* Subject to indexation of \$500 increments and unlimited carry forward of unused contribution room.

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One Account

Whether saving for a house, car, further education, a vacation or additional retirement savings, one account allows your individual goals to be met.

Equitable Life of Canada® ...A wise choice for YOU!

Throughout its more than 85 years in operation, Equitable Life has provided generations of policyholders with sound financial protection. We remain committed to delivering long-term value to our many clients as an independent, mid-sized mutual Canadian life insurance company.

Equitable Life of Canada provides a choice now, and for many years to come!

Here at Equitable Life, we offer our clients a wide selection of quality products to meet their financial needs, including life insurance, annuities, employee benefit plans and segregated funds.



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The Equitable Life Insurance Company of Canada
One Westmount Road North,
Waterloo, Ontario N2J 4C7
www.equitable.ca

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