

Individual Pension Plan



Maximizing your retirement benefits with an Individual Pension Plan (IPP)

An Individual Pension Plan (IPP) is a defined benefit pension plan established by an incorporated company typically for one individual. An IPP may enable you to make higher tax-deductible contributions than the maximum permitted for Registered Retirement Savings Plans (RRSPs) and enhance your retirement income.

Even maximizing your retirement contributions to a RRSP may not provide sufficient income to meet your retirement needs. The IPP may allow you to enhance your retirement income through additional tax efficient contributions.

REASONS TO CONSIDER AN IPP

- Diversify retirement strategy
- Substantially increase retirement savings vs RSP
- Attain a planned capital accumulation at retirement
- Corporate tax deductions
- Deductible investment management fees
- Generally creditor proof
- Succession Planning
- Facilitate sale of the business

SUITABLE CANDIDATES

- Incorporated Business Owners
- Incorporated Professionals
- Senior Executives

WORKS FOR

- Individuals between the ages of 40 and 71 years
- Individuals earning T4 income versus dividend income
- Individuals who have owned their company for a number of years

MAKING IT EASY – IPPs FROM RBC DOMINION SECURITIES

Establishing an IPP can greatly enhance retirement benefits, but it can also be very complex. That's where our team of professionals can help – by making it easy to establish an IPP that's right for you.

Preferred actuary:

To provide you with premier actuarial services for your IPP, we are working with Buck Consultants®, a Xerox Company, North America's oldest actuarial firm. Established in 1916, Buck Consultants provides pension and health & welfare consulting to more than 15 million people worldwide through its team of 1,700 professionals.

Professional wealth management:

At RBC Dominion Securities, we have been helping individual and corporate clients achieve their financial goals since 1901. Today we are Canada's leading provider of wealth management services.

COMPARING AN IPP TO A RRSP

This table compares the available contribution room for RRSP versus IPP at different ages, assuming incorporated business operating since 1991, \$133,000 annual T4 income and an RRSP transfer of \$435,000.

Age in 2012	Maximum 2012 RRSP contribution	Maximum 2012 current IPP contribution	Maximum past service employer contribution*	Maximum first year tax-deductible IPP contribution
40	\$ 22,970	\$ 24,934	\$ 70,071	\$ 95,005
50	\$ 22,970	\$ 30,088	\$ 174,462	\$ 204,550
60	\$ 22,970	\$ 36,300	\$ 300,287	\$ 336,587
70	\$ 22,970	\$ 33,684	\$ 281,814	\$ 315,498

*Amounts may differ based on RRSP balance.

Professional Wealth Management Since 1901



RBC Wealth Management
Dominion Securities