



KENTRIS FINANCIAL GROUP
RBC DOMINION SECURITIES

17 King Street East, 3rd Floor
Oshawa, ON L1H 7M9
Tel: (905) 434-6010
Fax: (905) 436-5068
kentris.group@rbc.com

www.kentrisfinancial.com

WHOLE LIFE VS. UNIVERSAL LIFE

WHOLE LIFE (WL)

- WL generates its long-term growth by crediting policy dividends, which are largely created by the performance of the PAR fund, a diversified investment portfolio that is managed by the insurer's professional money managers.
- It focuses on slow, steady growth to create as large an estate benefit as possible.
- Investments within the PAR fund are regulated by OSFI (Office of the Superintendent of Financial Institutions Canada).

WL IS DESIGNED FOR INDIVIDUALS WHO:

- Are more risk averse
- Don't necessarily require control of their investments
- Are more comfortable with guaranteed products
- Have predictable long-term needs
- Have a stable cash flow
- Prefer stable, balanced returns

Note: The chart on the reverse only shows the Paid-Up Additions (PUA) dividend option. PUAs are additional amounts of tax-exempt coverage that have their own cash values and which can earn dividends themselves. They are the dividend option most likely to create a significant accumulated benefit.

UNIVERSAL LIFE (UL)

- UL combines basic insurance coverage with a tax-sheltered investment component that is managed by the policyholder to achieve long-term estate growth.
- UL focuses on investment capabilities within the product and the opportunities they bring to the policyholder.

UL IS DESIGNED FOR INDIVIDUALS WHO:

- Are comfortable managing their own investments
- Understand the inherent risks of investing in the markets
- Require flexibility to meet changing needs
- Have a need to see how their product operates and grows

SUMMARY

Selecting the insurance solution that is right for you will depend on your objectives and investment style:

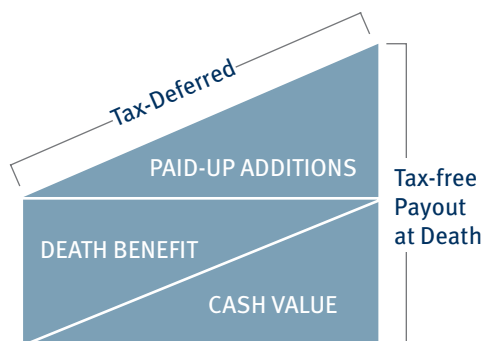
- WL offers minimal contractual guarantees with little flexibility and no decision-making on the part of the individual.
- UL is a highly flexible product with the freedom to choose the various product features.



RBC Wealth Management

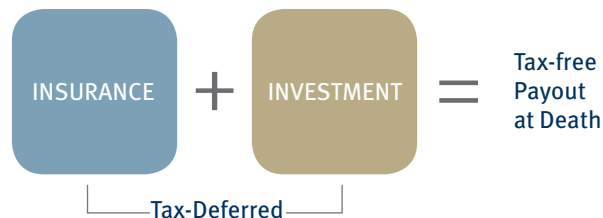
INVESTMENT STYLE

WHOLE LIFE PASSIVE APPROACH



- Participating insurance coverage (PAR)
- Cost of coverage is not disclosed; death benefit can increase through credit of dividends
- Paid-up additions is the most popular dividend option for tax-deferred accumulation
- Annual costs are not disclosed but embedded in the dividend
- Guaranteed minimums — cash value and death benefit (contractual)
- No transparency

UNIVERSAL LIFE ACTIVE APPROACH



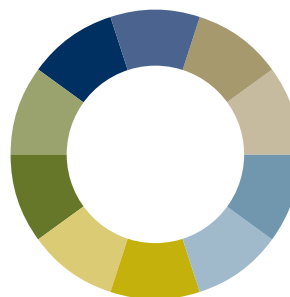
- Non-participating insurance coverage
- Yearly renewable or level cost of insurance
- Increasing, level, or minimized death benefit
- Annual costs are fully disclosed and include:
 - MER that is between 1% and 4%
 - Provincial Premium Tax (PPT) that varies between 2% and 4% depending on province
- Flexible product – consumer can determine both insurance and investment components
- Relatively transparent

ALLOCATION OF “PAR” FUND



- Equities
- Real Estate
- Mortgages
- Fixed Income

POSSIBLE “UL” INVESTMENT OPTIONS



- Canadian Equity
- European Equity
- Canadian Bond
- Foreign Bond
- Balanced Portfolios
- Asset Allocation Portfolios
- Asian Equity
- American Bond
- American Equity
- GICs

*There are several differences in the mechanics of these two products, but in the end, they both offer:
Tax-deferred accumulation of wealth and a tax-free benefit payable to your heirs. To learn more, please contact us today.*