FREQUENTLY ASKED QUESTIONS
REGISTERED INVESTMENT ACCOUNT

Assumption Life

WHAT IS A REGISTERED INVESTMENT ACCOUNT (RIA)?

The RIA is an annuity contract offered by a Canadian insurer where investor deposits are kept in the insurer's general funds. The account mirrors the returns of one or more reference funds or strategy selected by the investor. This allows us to offer highly competitive management fees, but with the same benefits as segregated funds.

WHO'S IT FOR?

The RIA was designed for fee-conscious investors who are relying on their advisor to find a suitable solution to grow their assets over time. The RIA is also ideal for life insurance advisors looking for a compelling investment offering with a simple sales process to build a recurring revenue stream.

WHO CAN SELL THIS PRODUCT?

The RIA can only be sold by licensed insurance advisors in Canada.

WHAT ARE THE ADVANTAGES?

Beyond the lower fees, the RIA has many advantages that impact both the client as well as the advisor. The offering includes a concentrated list of sophisticated investment solutions and combines them with a sales process that is both easy, comprehensive and compliant.

TYPE OF CONTRACT AVAILABLE?

Registered accounts offered:

- Tax-Free Savings Account (TFSA)
- Retirement Savings Plan (RSP)
- Spousal Retirement Savings Plan (spousal RSP)
- Retirement Income Fund (RIF)
- Spousal Retirement Income Fund (spousal RIF)
- Locked-In Retirement Account (LIRA)
- Life Income Fund (LIF)
- First Home Savings Account (FHSA)

HOW DOES IT COMPARE TO OTHER TYPICAL INVESTMENT OPTIONS?

The RIA product could be considered a hybrid solution borrowing from both mutual and segregated funds. Like mutual funds, it has professional investment management, proper diversification as well as lower management fees. Like segregated funds, it forms an annuity contract, it offers the investor some guarantees and is sold by licensed insurance advisors.

HOW DOES IT COMPARE TO SEGREGATED FUNDS?

Both the RIA and segregated funds are insurance contracts owned by an annuitant. They both offer some guarantees to the investor as well as the possibility to designate a beneficiary, bypass probate and offer creditor protection. The main difference is that the RIA funds are held in the general funds of the insurer's balance sheet while segregated funds are, by definition, segregated from the insurer's balance sheet. Also, registered investment accounts do not hold any units or notional units of the underlying fund. The account value is based on the reference fund performance however no units are owned by the annuitant. Lastly, segregated funds are available in all account types while the RIA is only available for registered accounts.

WHY ARE THE FEES LOWER THAN SEGREGATED FUNDS?

The lower management fees are associated to both lower insurance costs as well as special tax provisions applicable to the account structure. These savings are used to lower the management costs of the accounts.

ARE THERE ANY GUARANTEES?

Yes, RIA offers the following guarantee options

Guarantee Features	75/75 (Series D & E)	75/100 (Series G)
Death benefit guarantee	In the event that the annuitant dies before the contract maturity date, the death benefit will be the greater of the market value or 75% of net deposits (reduced proportionately for withdrawals).	In the event that the annuitant dies before the contract maturity date, the death benefit will be the greater of the market value or 100% of net deposits (reduced proportionately for withdrawals).
Maturity benefit guarantee	Upon Maturity age of 105 years. The annuitant will receive the greater of the market value or 75% of net deposits (reduced proportionally for withdrawals).	Upon Maturity age of 105 years. The annuitant will receive the greater of the market value or 75% of net deposits (reduced proportionally for withdrawals).
Guarantee resets	None	None

CAN WE TRANSFER SEGREGATED FUNDS INTO AN RIA?

Yes, however a new account must be created to accept funds into an RIA. The RIA is a distinct account and separate from Assumption Life's Segregated Funds business, any and all early redemption charges and chargebacks applicable to the current Segregated Funds would a be applicable before transferring to the RIA account.

You can find the Transfer Authorization Request in the Document Centre of our Advisor Corner website.

WHAT INVESTMENT OPTIONS ARE AVAILABLE?

Currently the RIA offers diverse account options to choose from. Investors can choose our effective multi-asset-class SmartSeries strategies and Portfolio solutions or choose individual reference funds from exceptional portfolio managers.
The individual account profiles include Canadian Equity, U.S. Equity, International Equity, Global Equity, Preferred Shares and Fixed Income funds.

WHAT TYPES OF COMMISSION STRUCTURES ARE AVAILABLE?

	2-yr CB	3-yr CB	5-yr CB	Trail Only
1st-year upfront gross commission	2%	3.75%	5.20%	0%
Trailer (gross)	0.90%	0.70%	0.45%	1.05%
Trailer Fee Start Month	From the first month			

For more information, including the chargeback calendar, please refer to document 6663-00A Commission Summary in our ***Document Centre*** on our website ***www.assumption.ca/advisor-corner***.

Please note: This document requires login credentials.

6648-00A-JUN26