

FLEXIBLE OPTIONS MAKE BORROWING SIMPLE

The *Solutions Banking* RRSP loan provides flexible options.

- › Repayment periods up to 10 years.
- › The option to defer your first payment for three or six months to give you time to collect your tax refund and pay down your loan before the first loan payment is due.
- › During certain times of the year, use the **future funding feature** to avoid the last-minute rush before the contribution deadline. You can apply at your leisure and *Solutions Banking* will advance your loan just before the deadline. No additional fees or interest charges apply for this feature.
- › A wide range of eligible investment products. Ask your financial security advisor for more information.

YOUR FINANCIAL SECURITY ADVISOR HAS DETAILS

Your financial security advisor has the expertise and planning tools available to help you define your retirement goals and provide solutions to help you reach them. Speak with your financial security advisor today to learn more about the *Solutions Banking* RRSP loan and see if it's right for you.

| KEY FEATURES | |
|---------------------------|-------------------------------------|
| Minimum loan | \$1,000 |
| Maximum loan | No maximum |
| Term | Three months to 10 years |
| Security | Unsecured |
| Interest rate | Variable or fixed |
| Deferral of first payment | Three or six months |
| Future funding | Available* |
| Application fees | None |
| Early repayment fees | None |
| Eligible investments | Ask your financial security advisor |

*Available during certain times of the year.

All comments related to taxation are general in nature and are based on current Canadian tax legislation and interpretation for Canadian residents, which is subject to change. As this information is general in nature it is intended for educational purposes only. For specific individual situations, you should consult the appropriate legal, accounting or tax expert.

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SolutionsBanking™

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REGISTERED RETIREMENT SAVINGS PLAN LOAN

BENEFITS OF AN RRSP LOAN

An RRSP loan helps you maximize your annual contribution or catch up on unused RRSP contribution room. It helps you now and in the future because it:

- Gives you more money earlier to grow your investment
- Potentially creates a larger nest egg down the road
- Reduces this year's tax bill through an income deduction equal to the amount of your allowable RRSP contribution

An RRSP loan means more money works now towards your retirement in the future.

YOU DON'T HAVE TO WAIT TO BENEFIT

If you find it difficult to come up with your RRSP contribution every year, use an RRSP loan to fund your contribution. In addition to saving for your retirement, using a loan to contribute to your RRSP provides you with an immediate tax benefit. Assuming your taxes are paid up to date, a \$10,000 contribution at a 40 per cent marginal tax rate will generate a \$4,000 tax refund. Your tax refund can provide you with some choices:

- Pay down your RRSP loan
- Pay down higher interest debt
- Fund other aspects of your financial security plan

When it comes down to it, you can choose to use your tax refund for just about anything you want:

- Home renovation
- Down payment on a new car
- A vacation

With proper planning, you don't have to sacrifice today to save for the future.

Contributing to a registered retirement savings plan (RRSP) is one of the best ways to save for retirement, but planning for the future sometimes takes a back seat to more immediate financial needs — bills, mortgage or a weekend getaway. At the end of the year, some Canadians find they haven't saved enough to maximize their annual RRSP contribution.

The *Solutions Banking*TM RRSP loan can help you make your contribution and keep your retirement plans on track.

A LOAN COSTS LESS THAN YOU MIGHT THINK

Borrowing your RRSP contribution doesn't have to be expensive. Consider what it would cost you to borrow a \$10,000 RRSP loan for one year:

ONE-YEAR LOAN

| | |
|--|----------|
| Loan amount | \$10,000 |
| Total monthly loan payment including interest cost | \$865 |
| Approximate total interest cost of borrowing* | \$383 |
| Taxes deferred (assuming a 40% marginal tax bracket) | \$4,000 |

Using an RRSP loan to maximize your RRSP contribution can save you from paying taxes today while helping you save for a comfortable retirement.

Compared to the tax refund, the cost of borrowing is low. Remember, you can always apply any tax refund you receive directly to your RRSP loan and further reduce the cost of borrowing.

An additional \$10,000 in your RRSP could add more than \$32,000 to your retirement nest egg**.