

AS A SINGLE WOMAN



Here's why CI is essential to your RRSP planning

A missing piece of a financial plan, that's all it could take to lose years and years of Registered Retirement Savings Plan (RRSP) growth, not to mention the comfortable retirement you've dreamed about. It happened to Jessica Clark. Jessica age 42 is a single woman with a house, a mortgage and dreams for retirement. She has been saving since her late 20's and has managed to save \$135,000 in RRSP's. She also has life insurance in place that would ensure her things were taken care of should anything happen to her.

Then Jessica is diagnosed with Breast Cancer. She takes immediate leave from work to focus on treatment and recovery. Her treatment is aggressive and will require that she be off work for at least 4 - 6 months. Jessica's doctors have recommended a non-insured treatment to help her recovery, but the money is just not there. Jessica's RRSP's are her only answer.

The Next question is, **will she have enough?**





No, she will not have enough.

Jessica has calculated and thinks she will need \$82,000. With her marginal tax rate of 46%, even if she withdraws her full \$135,000 in RRSPs, she will only net \$72,900 after tax, leaving her with no savings and a shortfall of nearly \$9,100.

A critical illness can have a devastating effect on your finances. The most thorough retirement income projections typically do not make allowances for the additional costs of living involved when someone suffers from a critical illness such as Cancer or Heart Attack. By having to use her RRSP's, the effect on Jessica's financial and retirement plans is devastating. In addition, the long-term loss of compounded returns could be enormous.

Impact on Retirement Savings



The right insurance coverage can protect your savings and the retirement lifestyle of your dreams. Empire Life Vital Link Critical Illness Insurance provides a tax-free lump sum cash benefit upon diagnosis of one of the 23 critical illnesses and life altering conditions including Heart Attack and Cancer. You can also protect your premiums... if you own a Vital Link policy and you do not become ill, you could receive all of your premiums back by adding a Return of Premium rider to your plan. That's right, you can have this valuable coverage plus receive all premiums paid into the policy if you do not incur a Critical Illness.

Critical Illness is an important part of your overall financial plan. You can either take the chance and hope that a life-altering illness will not deplete your savings or income, or protect yourself by adding Empire Life Vital Link Critical Illness Insurance.

For more information, please contact your financial advisor who can help put the final piece of your financial plan in place.

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