

PENSIONPlus™

An RCA can be funded using various investments. One of the most effective is the specially designed PENSIONPlus™ Universal Life Insurance plan underwritten by a major insurer. The funding amounts the same as a conventional non-insurance funded RCA, but PENSIONPlus™ provides enhanced benefits. (A medical is required to obtain these additional benefits. If you are not insurable, your spouse's life or that of another owner/employee of similar age may be used.)

You receive the following additional benefits:

- Pre-retirement death benefit
- Survivor benefits
- Fully integrated with Refundable Tax Account (RTA)
- Choice of investments
- Full sample documentation and trust agreements provided
- No shared ownership or split-dollar concerns
- No loan arrangements required
- Reduced trustee fees

Interested?

For more information, visit
www.rcf.ca

Pay less tax and build a larger retirement fund with an RRSPWrap™



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Working to secure the future

RCF

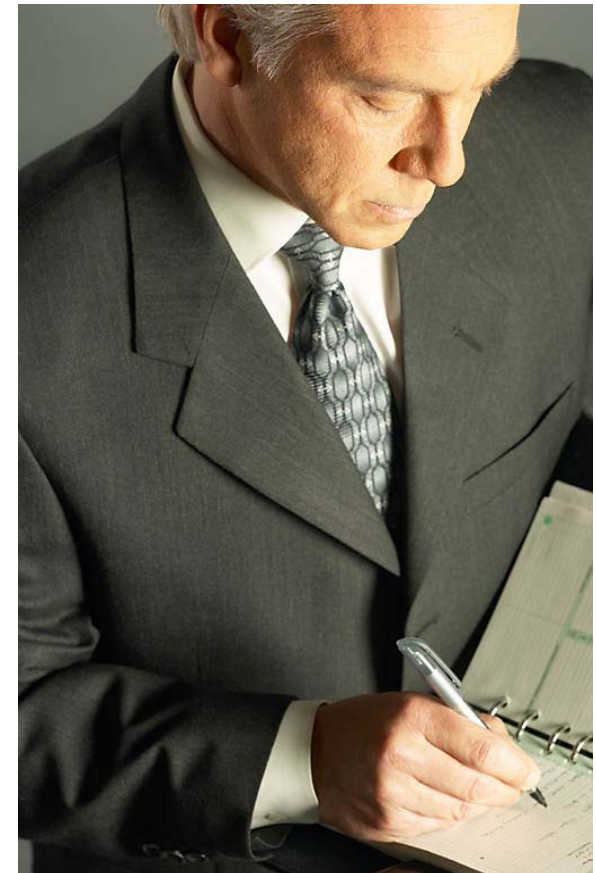
RETIREMENT COMPENSATION
FUNDING

Do you own or are you a key
employee of a business?

Think RRSP contribution levels are
too low?

Worried your RRSP will provide you
with an inadequate pension?

Would you like a 100% corporate tax
deductible solution to your pension
needs?



If you answered yes to all these questions, you could be a candidate for an **RRSP Wrap™**



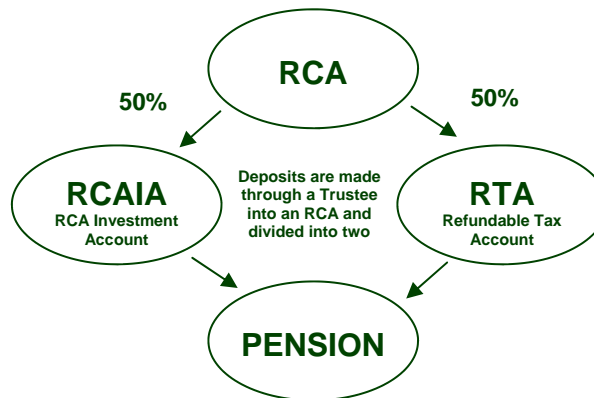
Pension consultants today suggest that an adequate pension should be approximately 70 per cent of pre-retirement income. RRSP, Registered Pension Plan and Individual Pension Plan contribution levels were originally based on the premise that an annual contribution of 18 per cent of salary would provide a business owner with an adequate pension.

If you earn more than \$125,000 annually, you can expect to experience 'pension discrimination' because of the cap on contributions. In other words, your pension benefits will be significantly lower than the acceptable standard of 70 per cent of pre-retirement income.

The **RRSP Wrap™** 'wraps' an RCA around the RRSP and/or other registered pension plans to fund the difference between an appropriate pension and income from registered pension or savings plans.

Retirement Compensation Arrangement

Retirement Compensation Arrangements (RCAs) are defined under subsection 248(1) of the **Income Tax Act**, which allows **100% corporate tax deductible** dollars to be deposited into an RCA, on behalf of the private business owners and/or key employee. **No tax** is paid by the owner/employee until benefits are received at retirement



RRSP Wrap™

- Ends RRSP ceiling discrimination
- Allows the 'buy-back' of past RRSP service for those with limited past contributions
- Places business owners and key employees on an equal pension footing with other executives
- Secures funding in the year profits are earned thereby minimizing future risk regarding funding
- Provides a disciplined and orderly way to fund an adequate retirement income
- Assets in an RCA are excluded from the estate and are not subject to probate fees when a beneficiary is named
- Assets are held in a trust and may be protected from creditors
- Investment loss protection
- No loan arrangement required

Retirement Compensation Funding, RCA specialists, provide the **RRSP Wrap™**, that 'wraps' an RCA around the RRSP and/or other registered pension plans to fund the difference between an appropriate pension and income from registered pension or savings plans.

