

Group tax-free  
savings account

Take care of your financial well-being



A tax-free savings account (TFSA) is a flexible investment savings plan that allows you to earn investment income tax-free and pay no tax when you need to use your money.

## So many ways to use tax-free savings



Plan for major events like a **house down payment**, **continuing education** or **unforeseen expenses**



**Supplement your registered retirement savings plan (RRSP)** once you've maxed-out RRSP contributions or you need to fill your retirement income gap



Purchase **health or long-term care plans** if you don't have them in retirement



Save extra money to **pursue hobbies and travel** in retirement



## Your group TFSA advantages

Your group TFSA is part of your overall group retirement and savings options through Canada Life™. Keeping your TFSA as part of your group plan offers more benefits than having an individual TFSA with a retail financial institution:

### Savings that grow even faster:

- You typically pay lower investment management fees than retail investments

### Easier with:

- One statement that monitors your retirement and savings plan investments
- One website with tools and support
- One client service centre to help you

### Access to well-diversified investment options:

- Designed to meet many savings goals
- Some options are exclusively available for your group plan

Spousal and family members are allowed to join and can get more information from their Treasurer or [lsinanan@cbbenefits.ca](mailto:lsinanan@cbbenefits.ca).





## Compare your savings options

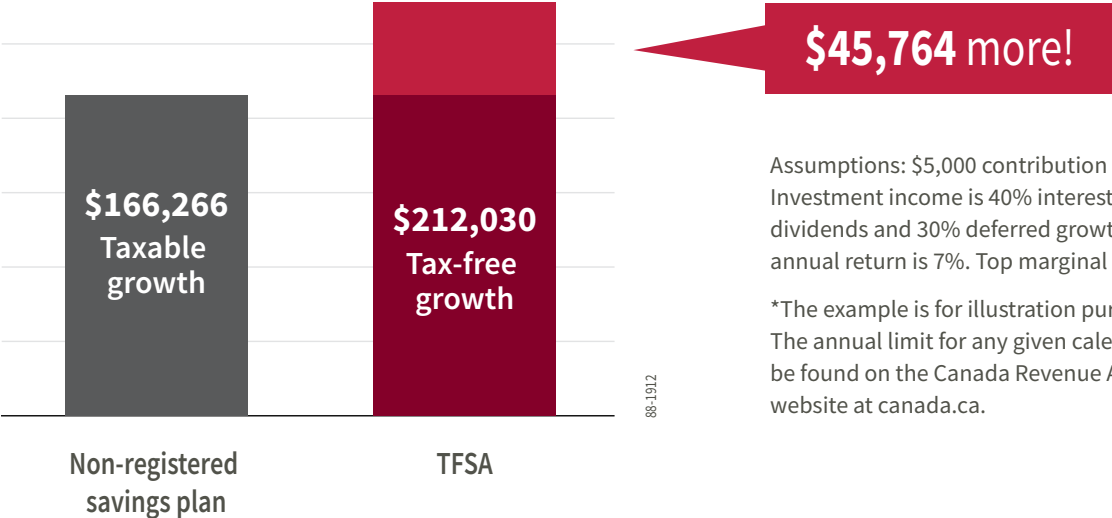
	Tax-free savings account (TFSA)	Non-registered savings plan	Registered savings plan (RRSP/RPP)
Do I get a tax deduction for my contribution?	No	No	Yes
Do I pay tax when I take money out?	No – tax-free except for growth after death if no spouse or successor holder	Yes – capital gain or loss when selling investments	Yes
Do I pay tax on income my investments make?	No	Yes	Yes – when you take money out
Will my investments impact federal income-tested benefits like old age security and GST credit?	No	Yes – income earned through your investments could have an impact	Yes
What’s the minimum age to open an account?	Age 18	Varies by province	<ul style="list-style-type: none"> <li>• Varies by province</li> <li>• Must have earned income to contribute</li> <li>• Not permitted to join beyond age 71</li> </ul>
Is there a specific age to stop contributing?	No	No	Yes – age 71
Can I withdraw my money at any time?	Yes	Yes	RPP – no RRSP – yes if the plan allows, but it’s subject to tax

# Bring all your non-registered investments into your group TFSA

Your group TFSA isn't designed to replace your daily savings account but it does let you grow your savings faster than a non-registered savings plan from a retail financial institution.

## Grow your savings faster with a TFSA

See how a \$5,000\* yearly investment pays off after 20 years



Assumptions: \$5,000 contribution each year. Investment income is 40% interest, 30% eligible dividends and 30% deferred growth. Average annual return is 7%. Top marginal tax rate.

\*The example is for illustration purposes. The annual limit for any given calendar year can be found on the Canada Revenue Agency (CRA) website at [canada.ca](http://canada.ca).



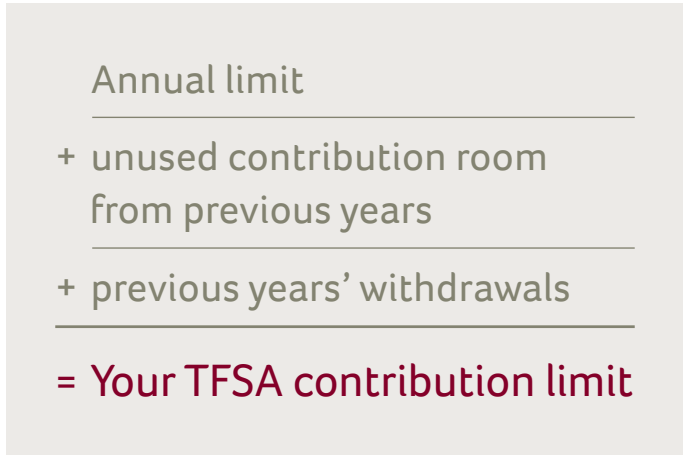
# Things to remember

- You must be a Canadian resident, age 18 or older to open a TFSA.
- Contributions aren't tax-deductible.
- Unused contribution room from the previous years can be added to the contribution room for the current year.
- If you've already maxed out your contribution limit for the current year, make sure withdrawals aren't re-contributed until the **following year** so you don't over-contribute.
- If you over-contribute, you'll be assessed a 1% penalty per month on contributions that exceed the limit.

# Things to consider

- Find out what level of risk you're comfortable with by completing the investment personality questionnaire online at [canlife.co/investmentpersonality](http://canlife.co/investmentpersonality).

Find your personal TFSA contribution room by signing in to your account on [canada.ca](http://canada.ca).





# Signing up for your group TFSA is as easy as 1-2-3.

## Step 1

Figure out how much you want to contribute, keeping your contribution limit in mind.

## Step 2

Review the investment options available in your plan and make your investment choices.

## Step 3

Complete and submit a group TFSA application. Ask your plan administrator how to enrol.

### Learn more about your group TFSA

- Visit [canadalife.com](https://canadalife.com), click **Sign in**, choose GRS Access and enter your access ID and password. Once you're signed in, click **Learn** for more information.

### To speak to a customer service representative, call:

- 1-833-900-3853
- Monday to Friday
- 8 a.m. to 8 p.m. ET



Whether you're looking to pay no tax on your investments, supplementing your retirement income or you're saving to pay for a large expense, a group TFSA can help you reach your goals faster.

