

Foundational Life™

a guide for clients



RBC
Insurance

*The future unfolds in surprising ways.
That's why it's good to have guarantees.*

The features and guarantees you want. For life.

We heard you. People across Canada wanted a new kind of life insurance. They wanted the guarantees that come with permanent life insurance. And they wanted the option to save for the future with no-risk investments.

At RBC Insurance[®], we're pleased to present Foundational Life, a totally new concept in life insurance. It was designed to give you the tools you need to build the financial future you want. You'll find the features and flexibility you need today, no matter which stage of life you're in.

Foundational Life provides important guarantees, starting with affordable, permanent life insurance. You also have the option to invest in a tax-deferred environment, with guaranteed returns. What's more, you can customize your Foundational Life plan by choosing from an array of popular riders and benefits.

It's all up to you. How would you like to begin building your future?



What does Foundational Life offer?

Affordable permanent life insurance with:

- Coverage from \$10,000 to \$10,000,000
- Guaranteed cash surrender value
- Opportunity to have a joint policy that covers two people, paying after both pass away
- Opportunity to have a joint policy that covers up to five people, paying when the first person passes away
- Your choice of two payment options:
 - Premiums stay level for a period that pays up your policy: 10, 15, or 20 years, or until you reach age 100 or
 - 20 Year renewable term. Premiums stay level for the first 20 years. You have the option to renew for another 20 years of level premiums but at a higher rate. You can continue to renew until your policy is paid up at age 85.

Tax-deferred investment accounts with:

- Investment options that suit your risk tolerance
- Choice of guaranteed returns, or returns tied to the stock market
- A vehicle for sheltering investments from tax
- The option to protect the financial assets of a business from creditors
- An increasing death benefit, which will be made up of the face amount of your policy, plus the value of your growing investments.

Special Family Offer

You will qualify for a 50% reduction in administration fees when you and another member of your household purchase coverage at the same time. Also, there will be no administration fees on any policies for children, provided that they're purchased as the third and subsequent policies.

Important riders and benefits you can add:

Critical Illness Benefit

In the event that the insured becomes critically ill, the Total Investment Value will be paid to the owner of the policy. This living benefit has two other important features: all insurance charges — including those for riders — will be waived, and the life insurance coverage remains in effect.

Accidental Death Benefit

This is a lump sum benefit, paid in the event of accidental death, and is in addition to the death benefit of the policy.

Term 10 Rider

You have the option to increase your coverage by adding term insurance. You are guaranteed renewal privileges every 10 years, without evidence of insurability, up to age 80. Your option to renew is guaranteed.

Level Term 20 Rider

You have the option to increase your coverage by adding term insurance for a twenty-year period. You can convert this policy to permanent insurance any time during the first 15 years, as long as you are under 65 years old. This rider is not renewable.

Children's Term Insurance Rider

You have the option to cover the lives of your children with term insurance.

Waiver of Premium Benefits

Takes over the payment of premiums, with these choices:

- Total Disability Waiver of Premium - protection if you become totally disabled.
- Payor Total Disability Waiver of Premium - protection if the person who pays the premiums (but is not the person insured) is totally disabled.
- Payor Death Waiver of Premium - protection if the person who pays the premiums (but is not the person insured) dies.



What are my investment options?

Many people want simple, risk-free investments that are easy-to-understand and predictable. That's why Foundational Life offers two such accounts. One is linked to Government of Canada Treasury Bills, and the other to Government of Canada Bonds.

For those who prefer to "index," that is, mimic the returns of a major stock market index, Foundational Life provides a third account. It moves up and down, in relation to the stocks that make up the S&P/TSX 60.

Foundational Life Daily Interest Account

Objective: To provide guaranteed, short-term interest rates.

Risk: This account provides a risk-free, guaranteed-minimum rate of return that's linked to Government of Canada Treasury Bills.

Description: The account provides short-term interest that's competitive with rates earned at major Canadian banks, in daily interest savings accounts at current market rates.

The account is attractive to those who want to benefit when interest rates are rising, and do not want to be locked in to a lower, prevailing rate.

The interest rate is equal to 90% of the yield on 30-day Government of Canada Treasury Bills, minus 2% for a management fee.

The guaranteed minimum return is 0%.

This means that the money you invest is protected, regardless of interest rates.

Foundational Life Long Term Interest Account

Objective: To provide guaranteed returns that correspond to an average rate of return on longer term investments of 10 years.

Risk: This account provides a risk-free, guaranteed-minimum rate of return of 2.5% after fees.

Description: The account is attractive to those who want modest gains from risk-free investments, but do not want the restrictions that are usually associated with them.

The interest rate is equal to 90% of the 10-year rolling average rate linked to 10-year Government of Canada Bonds, minus 2% for a management fee.

This means that the money you invest is protected, and will grow by at least 2.5% per year.

S&P/TSX 60 Stock Index Account

Objective: To achieve long-term growth, based on the value of the stocks that make up the S&P/TSX 60 Index. “Long-term” generally refers to 10 years or more.

Risk: This account can rise or fall, depending on the fluctuations of the stock market. In comparison to other volatile investments, this account tends to be in the mid range.

Description: The account is attractive to those who want to mimic the returns of the S&P/TSX 60 Stock Index, and who have a medium tolerance for risk. It’s suitable for those who have a longer time horizon, and plan to leave their investment untouched for about 10 years.

This account seeks to achieve results that correspond to the change in value in the S&P/TSX 60 Index. This is a Canadian stock market index, made up of the 60 largest companies on the TSX (Toronto Stock Exchange).

The S&P/TSX 60 is a weighted index, meaning that it is comprised of the 60 largest Canadian companies at any given time. It’s also a balanced index, since it includes companies that represent ten economic sectors (industries).

The companies that make up the S&P/TSX 60 Index are selected using guidelines from Standard & Poor’s, a recognized rating company. Selection is based on each company’s market capitalization, liquidity, and fundamentals. The Index was launched on December 31, 1999.

The S&P/TSX 60 Index also serves as a basis for derivative products, such as ETFs (Exchange Traded Funds), index Options, and index Futures.

NOTE: The account’s annual management fee is 3.25%. This means that the value of the investment will be reduced by this fee each year.

There is no guarantee that the account will experience gains in any given year. Nor is there any guarantee that the original investment will have grown by the time the investment is paid out. Depending on the movements of the markets, this account could show a loss.

How does Foundational Life compare to term insurance?

	Foundational Life	Ordinary Term
affordable life insurance	✓	✓
you can cover your children	✓	✓
special family discount	✓	maybe
provides insurance for the rest of your life	✓	
you can invest in a tax-deferred account	✓	
you can choose guaranteed returns on your investments	✓	
you can choose an investment that’s tied to the stock market	✓	
your death benefit increases as your investments grow	✓	
your savings are protected from creditors	✓	
you can choose to have a benefit paid if you become critically ill	✓	
it’s flexible enough to be the only policy you may ever need	✓	

What are the main reasons to consider Foundational Life?

- To have affordable, permanent life insurance
- To provide income replacement for your family in the event of your death
- To have the option to customize your plan with a range of riders and benefits
- To shelter your savings in a tax-deferred environment
- To have a choice of guaranteed returns on your investments
- To protect your savings from creditors
- To provide funds to pay taxes on your estate
- To pay for your final arrangements, debts, and income tax
- To fund charitable donations, which can also provide tax benefits



WHAT NEXT?

Your situation is unique, and will change over the course of your lifetime. That's why it's vital to discuss your particular needs with a qualified Insurance Representative. Whether you're starting a family, starting a business, or planning for retirement, Foundational Life can grow and adjust, right along with you.



RBC Insurance® is part of RBC Financial Group™, one of the oldest and largest financial group of companies in North America.

We provide a comprehensive portfolio of insurance products to protect your family and finances. We specialize in solutions for your personal and professional needs, with insurance for life, health, home, auto, and travel.

We're recognized for strength, stability, and our commitment to the 5 million customers we serve. We value the trust people place in us.

www.rbcinsurance.com

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To find out how Foundational Life, or any of our other insurance products can enhance your life,
please talk to a qualified Insurance Representative.**

For further information, please contact:

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