

# Hypothetical example showing how a rider's income base can double in 9 years

## Annuities and riders issued by Liberty Life Insurance Company

Mary, age 65, is in need of retirement income. She has \$100,000 she can allocate to a fixed index annuity with an income rider. Together with her agent, Mary decides to purchase an RBC Enhanced Choice 10 Annuity with RBC Guaranteed Lifetime Withdrawal Benefit Rider.

**Initial premium deposit: \$100,000**

**Annuity's immediate premium bonus: 5%** of the initial premium deposit; added to the annuity's accumulation value and the rider's income base

The rider's **income base** value is used to calculate lifetime income payments and is not available as cash value that can be withdrawn.

**Rider's immediate income bonus: 5%** of the initial premium deposit; added to the rider's income base

**Rider's rollup rate: 7.5%** compounded annually

**Rider's annual charge: 0.60%** of the rider's income base

### At the time the contracts are issued:

Initial annuity accumulation value = **\$105,000** (includes annuity's 5% immediate premium bonus)

Initial income base amount = **\$110,000** (includes annuity's 5% immediate premium bonus and rider's 5% immediate income bonus)

Number of years deferred until withdrawal begins	Age at time of the withdrawal	Income base amount	Lifetime withdrawal amount
1	66	\$118,250	\$5,913
2	67	\$127,119	\$6,356
3	68	\$136,653	\$6,833
4	69	\$146,902	\$7,345
5	70	\$157,919	\$8,686
6	71	\$169,763	\$9,337
7	72	\$182,495	\$10,037
8	73	\$196,183	\$10,790
9	74	\$210,896	\$11,599

With the immediate increase in the income base from **\$100,000 (initial premium deposit)** to **\$110,000** and a rollup rate of 7.5% compounded annually, **Mary will double her income base of \$100,000 to \$210,896 in just 9 years.** Her annual lifetime withdrawal amount will equal **\$11,599!**

Each person has different financial objectives and tax status. After discussing your individual needs and reviewing your financial goals with your agent, you and your agent will be better equipped to decide whether this annuity and rider, another annuity and rider or another financial product will best meet your objectives.

The RBC Enhanced Choice 10 Annuity [policy form series AN3024] and RBC Guaranteed Lifetime Withdrawal Benefit Rider [policy form series AN3025(12-08)] are not available in all states; please check for state availability. See contracts and disclosures or contact the company for complete details on limitations and exclusions. This piece is not available for use in FL.

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