

# Annuity vs. RRIF – which is right for me?

Annuity	RRIF
Regular income payments for life - no matter how long you live	Although you may receive regular cash flow, it is not guaranteed for your lifetime
Simplicity – no need to make ongoing investment decisions	Ongoing investment decisions will be required (you maintain control of your investments)
Money will not continue to grow or increase your net worth	Growth – money can continue to grow, potentially increasing your net worth
Generally, no access to capital (cashable option may be available for certain plans)	Access to capital
Protection against market fluctuations/volatility	Can be susceptible to market risk
Protection against rising prices is possible when selecting inflation protection on the policy	Potential protection against inflation risk when incorporating a growth component into your portfolio
Customizable – many options/features are available to choose from	Customizable – many investment vehicles/features are available to choose from

## Ideal if you:

Have no form of guaranteed income and would like to create your very own “personal pension plan”	Already have sufficient guaranteed income to cover fixed expenses
Don't need to access the funds (cashable option may be available for a certain plan type)	Prefer to have full access if needed and not be “locked-in” to an annuity (more flexibility)
Don't want to actively manage your investments	Are comfortable with market exposure/potential volatility
Are looking to top up guaranteed sources to possibly cover fixed expenses	Aren't concerned about how you are going to cover fixed expenses (your plan may have already accounted for this)
Aren't really looking for investment growth opportunities	You are seeking the potential for growth and potentially increasing the amount that will be transferred to your heirs
Are concerned about outliving your money	You aren't concerned about outliving your money
Are concerned that poor market conditions may reduce your retirement savings or you might not have enough	You aren't worried or concerned at all about market ups and downs or a decrease in your overall asset value

Remember, you don't have to put all your retirement savings into one or the other. Often times it may be a combination of the two approaches where an annuity is provided to cover your fixed expenses and a RRIF can perhaps provide you with additional flexibility and estate creation. We are committed to exploring these options further with you to determine an appropriate solution for your unique circumstances.



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