

[Cover Letter on letterhead, with bulletin on reverse]

14 April 2000

Toby R. Notoby
International Teas, Ltd.
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Montreal, PQ H3A 4J7

Dear Toby:

Couples and individuals with sizeable RRSP and RIF funds face a serious tax problem:
unless they deplete all their assets during retirement or die prematurely, the likely scenario will be that Revenue Canada will take 50% of those funds as tax.

The bulletin on the reverse states the problem. It also suggests the best solution—***assure the full value of those funds with life insurance.***

The concept is simple enough, and explaining it is easy with this bulletin to help state the problem and discover if the client is interested. A straightforward four-panel vignette I've prepared graphically illustrates both the problem and the concept of insurance as solution. This sales tool is yours for the asking.

Estate planning and wealth preservation are not the long and drawn out affairs clients imagine. In fact, using the right concepts and strategies, 80 percent of the job can be done in 20 percent of time they might think. It's the *new* 20/80 Rule. Why prolong planning unnecessarily, or avoid it altogether? It is better to solve most of the problems now than to miss the boat entirely.

Want to learn more about this concept? Simply want to see the vignette? Either way, let me know. I will get the information to you and help you open this type insurance case and others.

Help your clients help themselves...by insuring their RRSP and RIF funds against the ravages of excessive taxation.

Warm regards,

I. M. Goode
Estate Planning Advisor



Canada Customs
and Revenue Agency
Revenu
Canada

Agence des douanes
et du revenu du Canada
Revenu
Canada

Make Sure Your RRSPs/RIFs Pay Their Full Value

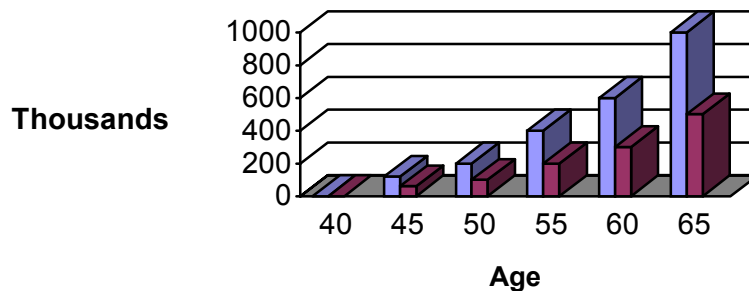
Situation

Joanne Meadow's husband Michael died a few years ago. Joanne took advantage of the tax-free rollover to defer paying tax on Michael's \$400,000 RRSP. This rollover simply defers taxation until Joanne's death. When Joanne dies, whatever her RRSPs or RIFs are worth—including the \$400,000 previously rolled over—will be wiped out 50% by taxes.

Problem

Unless you deplete all your assets during retirement, or if you die prematurely, the likely scenario will be that 50% of your savings will be paid as tax to Revenue Canada.

**Potential Tax Problem Created by
Registered Savings**



Example:
\$12,000/year
accumulated at 8%

Solution

There is a way to protect your retirement savings. It comes from the power of life insurance.

Insuring your RRSP or RIF can offset your tax liability when you die. The insurance will pay the taxes so the full value of the RRSP money in your estate can go where you intended—to your loved ones or to your favorite charity.

Life insurance is a real life saver when it comes to protecting the full value of your RRSP savings.

Concept presented by: I. M. Goode CLU, CHFC, Goode Planning Associates, *Estate Planning Advisors*