

# Voluntary retirement savings plan

A simple, worry-free  
retirement savings solution





## Help protect your biggest asset with a VRSP

If you're an employer in Quebec with five or more eligible employees, you need to offer a voluntary retirement savings plan (VRSP) or another type of workplace retirement savings plan – a group registered retirement savings plan, a registered pension plan, or a tax-free savings account – if you don't already. But this legislation shouldn't be the only reason to offer a group retirement savings plan.

Your employees are a valuable asset and you're continuously looking for ways to attract, motivate and retain them. By offering a VRSP, you're helping protect this asset by providing them with a convenient and affordable way to secure their futures.

### Two companies – one solution

Our VRSP is administered by London Life Insurance Company and marketed by The Great-West Life Assurance Company. London Life is a subsidiary of Great-West Life.

Our two companies have teamed up to create a simple, worry-free retirement savings solution for you and for your employees.

When you choose us to provide your VRSP solution, you can be confident that you'll receive superior customer service. We receive high levels of satisfaction reported on our satisfaction surveys. Customer satisfaction is one reason we're a leading provider of group retirement services for Canadians as we currently provide services to over 6,000 plans<sup>1</sup> with five to 99 members<sup>1</sup>.

# VRSPs are a win-win for you and your employees

Running a business can be demanding. It may be challenging for you to find the extra time to set up a group retirement plan.

We make it simple to set up and easy to maintain a VRSP.

With a London Life VRSP, your business can:

- Create goodwill with your employees by offering them a flexible and affordable group plan solution
- Increase employee morale and productivity by showing you care about their financial well-being
- Attract and retain talent by adding employer contributions to your VRSP
- Gain access to world-class plan administration and award-winning education materials

It's not just about your employees. There are real benefits to you when you offer a plan.

With a London Life VRSP you'll get:

- Simplified set-up
- Easy maintenance
- Minimal administration

Workplace retirement savings plans are important because:

**They make it easier for employees to save through payroll deductions.**

**They give employees access to lower investment fees than if investing on their own.**

**Quality people look for jobs with attractive compensation packages that include group retirement plans.**

**Employees are more likely to stay with a company that offers a group plan and even more so if the employer contributes to the plan.**

## VRSPs benefit you

- It's simple. We handle most of the plan administration and compliance responsibilities so you can focus on what's important to you – your business.
- If you choose to contribute, your contributions aren't subject to payroll taxes and may be deducted from income for tax purposes.
- Your employees will thank you for investing in their future and in return they'll reward you with their commitment to your company.

## Your employees also benefit

- Save for retirement and their future
- By getting instant tax savings while they contribute to their plan through payroll deductions
- Their payroll deduction becomes a convenient, disciplined way to save for retirement
- Saving is easy with automatic enrolment and a default investment option
- A VRSP is flexible because employees can choose their contribution rate, their investment option or they can opt out of the plan





Menu board with Chinese text and prices, partially obscured.

Menu board with Chinese text and prices, including items like 'Slovak' and 'Slovak - BOTTLED BREWING'.

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## Simple investment options

Our VRSP investment lineup has been created with the needs of VRSP plan members and plan design in mind. It has been pre-determined – you don't need to do anything. The investment selection is easy for your employees and is designed to meet their retirement savings with **clearly defined, understandable investment** choices.

### **It's simple. Employees choose either Solution 1 or Solution 2.**

**Solution 1: Harmonized target date funds.** These funds are ideal for employees who don't have the time or desire to choose and manage their investments. Employees simply select the year they want to retire and choose the target date fund that most closely matches that year.

**Solution 2: Harmonized asset class funds.** These funds are ideal for employees who want a more hands-on approach to investing. They complete the *Investment personality questionnaire* to help them select the funds that best match their investment goals and risk tolerance.

If employees wish, they can even choose a combination of Solution 1 and Solution 2. Guaranteed investment accounts are also available for employees to include as part of their investment portfolio.

## VRSPs at a glance

<b>Do I need to offer a VRSP?</b>	If your business has five or more eligible employees, you need to offer a VRSP if you don't already offer all your employees access to a group registered retirement savings plan, tax-free savings account or registered pension plan through payroll deductions.
<b>When do I need to offer a VRSP?</b>	The requirement for an employer to offer a VRSP was phased in depending on the size of the company: <ul style="list-style-type: none"> <li>– Employers with five to nine eligible employees must offer a VRSP or another eligible plan by a date after Dec. 31, 2018 (to be determined by the Quebec government).</li> <li>– Employers with more than 10 eligible employees as of June 30, 2017 must have a VRSP or another eligible plan in place.</li> </ul>
<b>Employer contributions</b>	<ul style="list-style-type: none"> <li>• Are optional</li> <li>• Are flexible – employers may change their contribution rates upon notice to us</li> <li>• Aren't subject to payroll taxes</li> <li>• Are locked in</li> </ul>
<b>Employee contributions</b>	<ul style="list-style-type: none"> <li>• An employee's contribution rate will automatically be set at the following percentage of earnings if the employee doesn't determine a rate: <ul style="list-style-type: none"> <li>– 3% of base, gross salary from Jan. 1, 2018 to Dec. 31, 2018</li> <li>– 4% of base, gross salary as of Jan. 1, 2019</li> </ul> </li> <li>• Employees can set their contribution rate to an amount they prefer including 0% (subject to certain conditions)</li> <li>• Employees can change their contribution rate up to two times a year unless the employer allows them to do so more frequently</li> <li>• Can be deducted from taxable income and subject to the same limits as RRSPs</li> <li>• Aren't locked in (amounts withdrawn will be subject to Quebec and federal tax)</li> </ul>
<b>Investment program</b>	<p>Your employees decide how much their contributions will be and then choose the appropriate investment options listed below to match their savings goal. It's that simple. Employees choose either <b>Solution 1</b> or <b>Solution 2</b> or a combination of both. Guaranteed investment accounts are also available for employees to include as part of their investment portfolio.</p> <p><b>Solution 1: Harmonized target date funds</b> (default investment option)</p> <p>All an employee needs to do is choose the fund that's closest to their target retirement year:</p> <ul style="list-style-type: none"> <li>• 2020 Harmonized Fund</li> <li>• 2025 Harmonized Fund</li> <li>• 2030 Harmonized Fund</li> <li>• 2035 Harmonized Fund</li> <li>• 2040 Harmonized Fund</li> <li>• 2045 Harmonized Fund</li> <li>• 2050 Harmonized Fund</li> <li>• 2055 Harmonized Fund</li> <li>• 2060 Harmonized Fund</li> </ul> <p>As the default investment option, if employees don't make a fund selection, their contributions will be invested into the fund that's closest to the year when they turn 65. Employees don't choose the default fund. It will be automatically chosen according to the age of the employees and adjusted as employees approach the normal retirement age of 65.</p> <p><b>Solution 2: Harmonized asset class funds</b></p> <p>Employees can complete the <i>Investment personality questionnaire</i> to determine their risk profiles and the corresponding asset mix. Then they choose the Harmonized asset class fund(s) to match that mix:</p> <ul style="list-style-type: none"> <li>• Harmonized Fixed Income Fund</li> <li>• Harmonized Canadian Equity Fund</li> <li>• Harmonized Foreign Equity Fund</li> <li>• Harmonized Special Equity Fund</li> </ul> <p><b>Guaranteed investment accounts (GIAs)</b></p> <p>Employees can choose the duration for which they want to invest their contributions:</p> <ul style="list-style-type: none"> <li>• Daily interest account</li> <li>• One-year GIA</li> <li>• Three-year GIA</li> <li>• Five-year GIA</li> </ul>
<b>Enrolment</b>	<ul style="list-style-type: none"> <li>• Employees with at least one year of continuous service are automatically enrolled in the company's VRSP.</li> <li>• Before plan contributions start being deducted from their pay, employees have 60 days to notify their employer if they wish to opt out of the plan.</li> </ul>
<b>Portability</b>	<ul style="list-style-type: none"> <li>• Employees may continue contributing to the same plan even after changing employers, or transfer the full amount to another VRSP or other eligible plan.</li> </ul>

# Sponsor services

When you work with us, you work with a team who knows you and your plan. Once your plan is set up, we assign a customer service specialist to you, who will be available for your administration needs. You'll also have access to the latest information so you can manage your plan:

- **GRS Access (www.grsaccess.com)** – your online resource for the information and tools you need to manage your plan. Take a tour of the sponsor view (Access ID: ADMIN, Password: ONLINE4U).
- **Sponsor resource centre** – is your go-to place for information about your plan, available after you sign in to GRS Access. Your resource centre provides time-sensitive announcements, access to a plan governance tool, and includes dynamic widgets that present information about your plan in three views: summary, trend and ages. Each view is available from your desktop or mobile device. When expanded, you can access additional information in each widget that can be downloaded as an image or data file.
- **Client reports** – create reports on demand so you can stay up-to-date on your VRSP.
- **The Link™ online newsletter** – get timely and relevant information about our services, products and legislation directly in your inbox six times a year.



The Link™ online newsletter

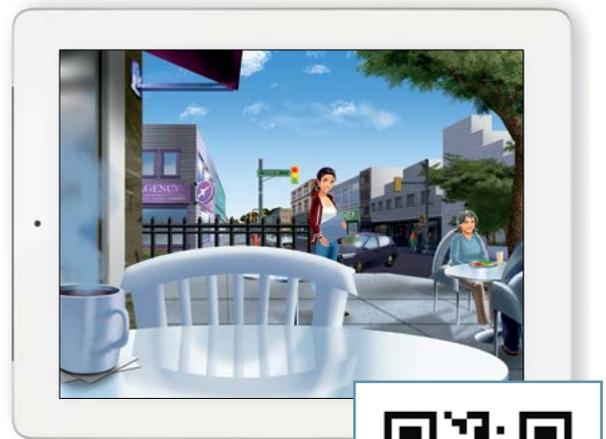


GRS Access (www.grsaccess.com)

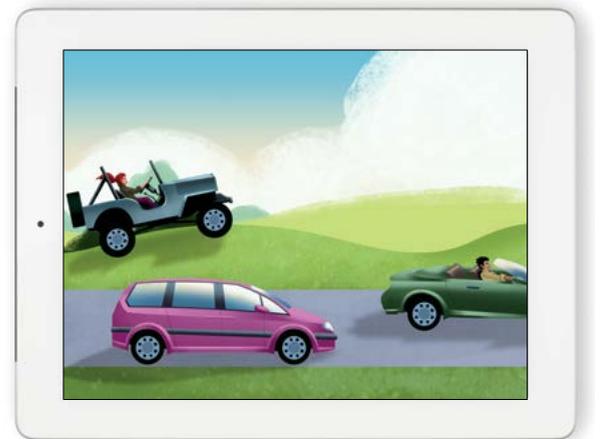
# Member services

Exceptional plan member experience is key to a successful group retirement plan. We provide members with engaging and meaningful resources to help them connect with their plan. Through our award-winning *smartPATH* retirement education program, we're committed to providing some of the best planning and education tools in the industry.

- Get quick financial education with online learning at **smartpathnow.com**. Full of games, videos and calculators, this website has content that's useful for everyone, no matter where they are on their path to retirement.
- **SmartPATH 2.0** is a different way of looking at retirement planning. Members find themselves in the centre of an interactive website that allows them to determine the direction of their savings journey and feel empowered by retirement planning. By inviting members to interact and participate, this virtual neighbourhood helps change attitudes and behaviours so more members are positioned on the right track. Take a look: <http://vrsp.smarttools.ca/>.
- **YouTube channel** adds immediacy to our education program and heightens member engagement. Video is the most-consumed format of communication on the web – more than blogs, games or tools. Check out the Great-West Life Group Retirement Services YouTube channel at [www.youtube.com/greatwestgrs](http://www.youtube.com/greatwestgrs).
- **Simply speaking** video series helps explain financial concepts quickly and simply. That understanding helps motivate your members to participate in their plan.
- **GRS Access (www.grsaccess.com) and Access Line (1-800-724-3402)** offer fast and convenient ways to help members access their plan and stay on track with their retirement goals.



*SmartPATH 2.0*



**YouTube channel**



## Put our strength to work for you

Working with us helps your employees build toward a more comfortable retirement. We have a unique presence in the group retirement and savings plan marketplace.

- With more than \$51.8 billion<sup>1</sup> under administration, we represent a significant presence in the Canadian group retirement savings and pension industry.
- We administer over 24,000 group capital accumulation plans in Canada and 1.3 million plan member accounts<sup>1</sup>.
- Our service and support for sponsors and members are unparalleled.

### Select London Life's VRSP and get a strong organization that stands with you.

Join us and you'll see first-hand why we receive high levels of satisfaction reported on our satisfaction surveys. Customer satisfaction is one reason we represent a significant presence in the Canadian group retirement savings and pension industry as we currently provide services to over 6,000 plans with five to 99 members<sup>1</sup>.

Our surveys prove we have the expertise you need to provide a more comfortable retirement for your employees. Take the next step and sign up for a VRSP today and let us show you how good we are.



## Sign up today

Speak to your advisor, if applicable, or call a VRSP specialist at **1-855-495-7837** to sign up for the VRSP. You can also sign up by emailing us at **VRSP@londonlife.com** or by going to our website **www.vrsp-londonlife.com**.

### Need more information?

This brochure only begins to touch on some of the information and benefits of offering a VRSP. Visit our website, **www.vrsp-londonlife.com**, to learn more.

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## Contact us



VRSP specialist  
1-855-495-7837



VRSP website  
[www.vrsp-londonlife.com](http://www.vrsp-londonlife.com)



VRSP email  
[vrsp@londonlife.com](mailto:vrsp@londonlife.com)

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1 As at Dec. 31, 2016

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