



Wawanesa Life's SEGREGATED FUNDS

vs. MUTUAL FUNDS



MANY INVESTORS VIEW SEGREGATED FUNDS AND MUTUAL FUNDS AS BASICALLY THE SAME. TO A DEGREE, THAT'S TRUE. BOTH SEGREGATED FUNDS AND MUTUAL FUNDS:

- ✓ Are RRSP and RRIF eligible,
- ✓ Allow lump sum & monthly deposits,
- ✓ Are professionally managed,
- ✓ Contain a variety of funds (equity, bond, balanced, money market).

However, there are some important differences between these two types of investments that investors should be aware of.

CHECK OUT THE FOLLOWING ADVANTAGES OF WAWANESA LIFE'S SEGREGATED FUNDS OVER GENERIC MUTUAL FUNDS:

Death and Maturity Guarantees

Segregated Funds offer very important death and maturity guarantees. Regardless of market performance, Wawanesa Life guarantees to return at Maturity, the greater of: the market value of the funds, or 75% of the money put into the funds (net of withdrawals). Wawanesa Life guarantees to return upon death, the greater of: the market value of the funds, or 85% of the money put into the funds (net of withdrawals).

vs. Mutual Funds do not provide any guarantees of investment value. This is a serious disadvantage in a volatile or downward market.

Low MERs

Wawanesa Life's segregated funds are all passively managed index funds, allowing for lower Management Expense Ratios and, consequently, a higher net rate of return for you. Our MERs are guaranteed never to exceed 3% annually.

vs. Most Mutual Funds are actively managed which translates into higher management fees and lower net rate of return for you.

Wawanesa Life's MERs for Class 'A' Units

Canadian Equity	1.95%
U.S. Equity	2.15%
International Equity	2.25%
Canadian Bond	1.95%

No Front-End or Back-End Loads



Wawanesa Life's funds are all no-load funds so every dollar invested works for you. Except for MERs, no other fees or charges are charged against our funds. Our MERs cover the cost of acquisition, administration, management of the funds and the maturity & death benefit guarantees.

vs. Mutual Funds are usually purchased on a front-end or back-end basis, thus decreasing the amount working or due to you. If funds are purchased on a deferred-charge basis, you are penalized for withdrawals in the early years.

Creditor Protection

Wawanesa Life Segregated Funds may be creditor proof if the named beneficiary is irrevocable or is the spouse, child, parent or grandchild of the annuitant, and the investment is made in good faith. Under normal circumstances, creditors are unable to seize the assets of the fund if the owner declares bankruptcy or is sued by a creditor.

vs. Non-registered Mutual Funds do not offer creditor protection.

Lower Estate Fees

On death, assets from Wawanesa Life Segregated Funds are paid out directly to your named beneficiary without passing through your estate, and therefore the funds are not subject to probate fees.

vs. Mutual Funds are not exempt from probate (unless in RRSPs and/or RRIFs with a named beneficiary), resulting in higher estate fees.

For additional information on how Wawanesa Life can benefit you and your family, contact your broker or your nearest Wawanesa Life branch today.

