



Life & Money Matters: Pay Yourself First, February 2017

0:00 – 0:09	<p>[Background music fades in]</p> <p>[Motion graphic: The Empire Life Insurance Company logo]</p> <p>MOTION TEXT: Life & Money MATTERS</p> <p>MOTION TEXT: Pay Yourself First</p>
0:10 – 0:28	<p>MOTION TEXT: Peter Wouters, Director - Tax, Retirement & Estate Planning</p> <p>Peter: I am Peter Wouters. I wrote an article about paying the most important person in your life first. That's you.</p> <p>Here are some more thoughts about that and the power of saving early, steadily and for the long term.</p> <p>Let's say you earn \$50,000 a year from age 30 to age 65.</p>
0:29 – 0:46	<p>MOTION TEXT: Average Salary Growth 2% / year Age 30-65</p> <p>Peter: Let's assume you get annual increases averaging 2%,</p> <p>MOTION TEXT: \$20,000, \$40,000, \$60,000, \$80,000, \$100,000, \$120,000</p> <p>Peter: sometimes more, sometimes less, depending on salary increases, job switches and promotions.</p> <p>MOTION TEXT: \$2.5 Million</p> <p>Peter: You will have earned almost \$2.5 million dollars over that working lifespan.</p>
0:47 – 1:01	<p>MOTION TEXT: \$50,000, \$2,500</p> <p>Peter: Consider setting aside 5% of your earnings at the beginning of each year; that's \$2,500 in year one. About \$7 a day.</p> <p>MOTION TEXT: \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$6,000</p> <p>Peter: Make this a habit every year. If you put the money into a Tax Free Savings Account, a Registered Retirement Savings Plan, or split the deposits between the two, the savings grow tax-free.</p>

1:02 – 1:21

MOTION TEXT:
Savings 5% / year
+5% Return
Age 30 - 65

Peter: If you earn an average rate of return of 5% on your savings,

MOTION TEXT: \$375,000

Peter: you will have accumulated over \$375,000 by the time you reach age 65.

MOTION TEXT: 1% more

Peter: If you earned just one more percent, 6%

MOTION TEXT:
Results in
20% more money

Peter: your nest egg will jump to over \$450,000.

1:22 – 2:09

MOTION TEXT: 5% Earnings, \$22,600 / year
For illustration purposes only; not intended to project performance of any particular investment; no guarantee of future performance

Peter: If you continue to earn an average of 5% on those savings, you could receive \$22,600 a year in extra income.

MOTION TEXT:
6% Earnings, \$27,000 / year
5% Earnings, \$22,600 / year

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Peter: If you earned 6% your possible annual income could be about \$27,000.

Develop the habit of saving early in life, stick with it and you really won't notice your lifestyle changing not much, while you're working.

But oh, what a difference it makes when you need lump sums of cash or extra income down the road. You're important to a lot of people, especially yourself.

Take care of the "tomorrow you" by starting today. Sit down with an accredited financial advisor who can help setup a plan that works for you no matter what stage in life you are at.

You work hard for your money. Get your money to work for you.

2:10 – 2:18

[Motion graphic: Life & Money MATTERS, empirelifeinvestments.ca]

TEXT: The Empire Life Insurance Company has been managing money for 50 years, including through its subsidiary Empire Life Investments Inc. since 2012.

A description of the key features of the individual variable insurance contract is contained in the Information Folder for the product being considered. **Any amount that is allocated to a Segregated Fund is invested at the risk of the contract owner and may increase or decrease in value.** Past performance is no guarantee of future performance. Policies are issued by The Empire Life Insurance Company.

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