



RELIABLE INCOME STREAMS FOR RETIREMENT

MACQUARIE PRIVATE WEALTH REGISTERED RETIREMENT INCOME FUNDS (RRIFs)

About Macquarie

Founded in Australia in 1969, the Macquarie Group has always been committed to continuous growth. Since 1992, this global provider of banking, financial, advisory, investment and funds management services has reported successive years of profits and growth.

Macquarie Private Wealth offers investors tailored financial solutions, award-winning research, recognized financial strength, and a global vantage point — a world of opportunities to build your personal wealth.

At Macquarie Private Wealth, we do everything we can to enhance your financial future. We believe that understanding registered programs and building effective strategies today can make a significant difference to your retirement lifestyle tomorrow. A Macquarie Private Wealth Investment Advisor can help you look beyond your current circumstances to help you prepare for your future needs, and ease the process of switching your assets from a mature Registered Retirement Savings Plan (RRSP) to a Registered Retirement Income Fund (RRIF).

The RRIF advantage: tax-sheltered growth and deferred taxes

The Canada Revenue Agency requires that you convert all your RRSPs to a Registered Retirement Income Fund (RRIF) or another income option by the time you turn 71. For most investors, a RRIF is the preferred choice as it provides a regular income stream for your retirement years and allows you to defer taxes.

A RRIF works like an RRSP in reverse: instead of making annual contributions, you withdraw income for your retirement years. The benefits are two-fold:

1. Assets within a RRIF continue to grow tax-sheltered until withdrawn as income.
2. When you withdraw funds from your RRIF, you may be in a lower tax bracket (and subject to a lower tax rate) than when the funds were contributed.

How RRIF withdrawals work

There is no withdrawal required in the year your RRIF is set up, but you must withdraw a minimum amount each subsequent year. Assets that are withdrawn from a RRIF are taxed as income in the year in which they are received, and should be included in your taxable income when filing your annual return.

Minimum withdrawal amounts

Qualifying RRIF:

- Was opened before 1993, and has not accepted any funds after 1992; or
- Was opened at any time, and has not had funds transferred in after 1992 except from another Qualifying RRIF.

Non-Qualifying RRIF:

- Was opened after 1992; or
- Was opened before 1993 and has funds transferred in from a plan opened after 1992.

Calculating minimum withdrawals

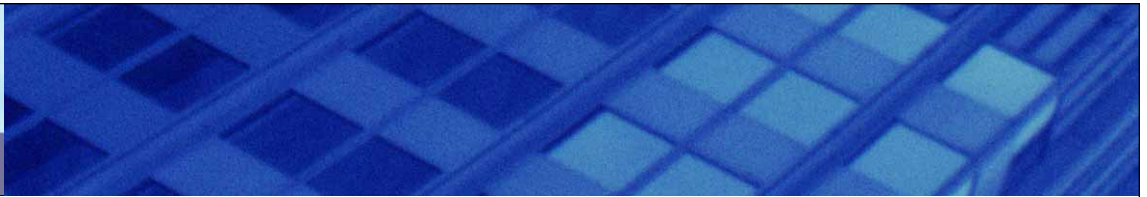
Age at Jan. 1	Type of RRIF	Calculation
Under 71	Any RRIF	90-minus-age formula
71 – 78	Qualifying	90-minus-age formula
71 – 78	Non-qualifying	Percentage formula
79 or over	Any RRIF	Percentage formula

Minimum Payment Formulas


1. 90-Minus-Age Formula:

Market value of RRIF as at December 31
 \div 90 minus the planholder's age as of December 31
2. Percentage Formula:

% based on age (see chart on reverse) x RRIF value on January 1



REGISTERED RETIREMENT
INCOME FUNDS (RRIFs)

 Toll-free 1 866 775 7704

 macquarieprivatewealth.ca

Minimum Withdrawal Amount

Age on Jan. 1	Qualifying %	Non-Qualifying %	Age on Jan. 1	Qualifying %	Non-Qualifying %
69	4.76	4.76	82	9.27	9.27
70	5.00	5.00	83	9.58	9.58
71	5.26	7.38	84	9.93	9.93
72	5.56	7.48	85	10.33	10.33
73	5.88	7.59	86	10.79	10.79
74	6.25	7.71	87	11.33	11.33
75	6.67	7.85	88	11.96	11.96
76	7.15	7.99	89	12.71	12.71
77	7.69	8.15	90	13.62	13.62
78	8.33	8.33	91	14.73	14.73
79	8.53	8.53	92	16.12	16.12
80	8.75	8.75	93	17.92	17.92
81	8.99	8.99	94+	20.00	20.00

Withholding tax rates on additional withdrawals

Residents of all provinces (except Quebec)

Withdrawal Amount*	Tax Rate
Up to \$5,000.00	10%
\$5,000.01 to \$15,000.00	20%
\$15,000.01 and over	30%

*Withdrawal amount over the minimum payment

Residents of Quebec only

Up to \$5,000.00*	\$5,000.01 – \$15,000.00	\$15,000.01+
Federal: 5%	Federal: 10%	Federal: 15%
Provincial: 16%	Provincial: 16%	Provincial: 16%

*Withdrawal amount over the minimum payment

When to open a RRIF

You have the option to convert your RRSP into a RRIF or other retirement income option before you reach age 71. This is often a preferred strategy for people who plan on retiring early or who wish to use a portion of their RRSP assets before they are eligible for either CPP (Canadian Pension Plan) or OAS (Old Age Security). Investors who convert some of their RRSP to a RRIF at age 65 or older can take advantage of the government's Pension Income Tax Credit on the first \$2,000 withdrawn.

Given the many options available, it's best to start planning what you are going to do with your RRSP assets well before you reach the mandatory age of 71. Again, your Macquarie Private Wealth Investment Advisor can assist you in making the decision that is right for you.

Get more information

If you are nearing retirement, we encourage you to speak with your Investment Advisor about which RRIF strategies make sense for you. If you are not already a client of Macquarie Private Wealth and would like more information about RRIFs or the world of other opportunities we present to build your personal wealth, contact us today at mpwcanada@macquarie.com or 1 866 775 7704.

This material is provided for general information and is not to be construed as an offer or solicitation for the sale or purchase of securities mentioned herein. Every effort has been made to compile this material from reliable sources however no warranty can be made as to its accuracy or completeness. The comments contained herein are general in nature and professional advice regarding an individual's particular tax position should be obtained in respect of any person's specific circumstances. Before acting on any of the above, please seek individual financial advice based on your personal circumstances. Neither the author nor Macquarie Private Wealth Inc. (MPW) makes any representation or warranty, expressed or implied, in respect thereof, or takes any responsibility for any errors or omissions which may be contained herein or accepts any liability whatsoever for any loss arising from any use or reliance on this report or its contents. MPW is an independently owned subsidiary of Macquarie Bank Limited.

No entity within the Macquarie Group of Companies is registered as a bank or an authorized foreign bank in Canada under the Bank Act, S.C. 1991, c.46 and no entity within the Macquarie Group of Companies is regulated in Canada as a financial institution, bank holding company or an insurance holding company. Macquarie Bank Limited ABN 46 008 583 542 (MBL) is a company incorporated in Australia and authorized under the Banking Act 1959 (Australia) to conduct banking business in Australia. MBL is not authorized to conduct business in Canada. No entity within the Macquarie Group of Companies other than MBL is an authorized deposit-taking institution for the purposes of the Banking Act 1959 (Australia), and their obligations do not represent deposits or other liabilities of MBL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of any other Macquarie Group company. Macquarie Private Wealth Inc. is a member of the Canadian Investor Protection Fund and IROC.