



SAVINGS

INVESTMENT LOAN

Increase your growth potential





Do you have relatively high risk tolerance and want to considerably increase the value of your investment portfolio in the long term?

We have the ideal solution for you: the investment loan.

You know what they say, “it takes money to make money!” This is the financial concept of the investment loan in a nutshell

An investment loan is a tool that allows you to increase the potential growth of your investments using a financial leveraging strategy.

The advantages to borrowing to invest include:

- ✓ Taking advantage of future market upturns
- ✓ Growing your wealth faster
- ✓ Improving and diversifying your investment portfolio
- ✓ Maximizing your investments while maintaining access to your liquidity
- ✓ Taking advantage of the benefits of segregated funds
- ✓ Benefitting from the deductibility of interest charges
- ✓ Taking advantage of reduced management fees (for those above the eligibility threshold for Prestige preferential pricing)

LET'S LOOK AT TWO INVESTMENT EXAMPLES:
ONE WITH AND ONE WITHOUT AN INVESTMENT LOAN.

	INVESTMENT WITHOUT LOAN	INVESTMENT WITH LOAN
Initial investment	\$100,000	\$100,000
Loan amount	—	\$100,000
Total investment	\$100,000	\$200,000
Subsequent monthly investments	\$272.50	—
Monthly interest repayment less the benefit of the tax deduction	—	\$272.50
Return	5%	5%
Interest rate on the loan	—	5.45%
VALUE OF THE INVESTMENT AFTER 15 YEARS	WITHOUT LOAN	WITH LOAN
Accumulated amount	\$256,312	\$415,786
Loan repayment	—	(\$100,000)
Net value of the investment	\$256,312	\$315,786
Difference		\$59,474
INVESTMENT DISPOSITION AFTER 15 YEARS	WITHOUT LOAN	WITH LOAN
Tax on capital gain	\$20,380	\$28,052
Net value of the investment	\$235,932	\$287,734
Difference		\$51,801

Assumptions

Loan interest: Prime* + 0.75% (5.45%)

Amortization period: 15 years

Marginal tax rate: 40.00%

Repayment option: Interest only

*Prime rate of 4.70%. The rates presented here are subject to change without notice.

LOAN OPTIONS

The investment loan includes two loan options, which are both competitively priced and offered with no margin call, so you can customize the loan based on your needs.

100% LOANS

No initial investment made by you. The entire deposit will be financed by the loan and no initial deposit is required on your part.

1:1 LOANS

With this type of loan, a \$50,000 deposit would make the borrower eligible for a \$50,000 loan, for a total investment of \$100,000.



100% LOAN

1:1 LOAN

Type of contract for investment as collateral	IAG Savings and Retirement program non registered contract (except for the FORLIFE series Income stage), Ecoflex and Ecoflextra (classic series only)	
Type of loan	Personal loan only	
Repayment options	Monthly interest payments only or principal and interest (5 to 20 years)	
Maximum loan to value (LV) ratio for loan approval	100%	50%
Initial investment	No initial investment made by you	Loan \leq to initial investment made by you
Minimum and maximum loan	\$10,000 to \$300,000	
Loan amount \$10,000 to \$49,999 \$50,000 to \$99,999 \$100,000 to \$300,000*	Interest rate prime + 1.25% prime + 1.00% prime + 0.75%	Interest rate prime + 0.75% prime + 0.75% prime + 0.75%
Sales charge	None	
Annual statement	Yes, on December 31	

* Loan applications for over \$300,000 will be accepted. However, we reserve the right to request additional supporting documentation. Eligibility criteria for credit, documents required and processing time may vary.

ELIGIBILITY CRITERIA

iA Financial Group complies with industry standards to minimize the risk of default. To apply for an investment loan, you must meet the following criteria.

CRITERIA	TAKEN INTO CONSIDERATION
Stable and higher than average income — Above \$65,000	— Employment income — 50% of gross rental income — Dividend income from a company owned by the borrower (validation of the financial status of the company paying the dividends) — Retirement income
High net worth	— Value of residence and income property — Confirmed investments (based on official and complete statements for the past 6 months)
Good financial habits	— Very good to excellent credit score — Several years in the same profession — Financial independence, stable situation, financial security — Willingness to provide the required information
Good understanding of investments	— Result on the investor profile of at least “moderate” to the question “Knowledgeable about investments”
Risk tolerance	— Result of at least “moderate” to questions about risk tolerance on the investor profile
Ability to make the monthly payments for the loan	— Total debt service ratio (TDSR) must be at or under 35%

Note: Only individuals with permanent Social Insurance Numbers in Canada are eligible for investment loans.

CONSIDERATIONS

- ✓ When there are market downturns, the market value of your investments could become lower than the balance of the loan to be repaid
- ✓ Prime rate and monthly payments vary over time and may lead to an increase or decrease in the cost of borrowing
- ✓ Availability of sufficient income to repay the interest associated with the loan, without compromising your other financial obligations

REPAYMENT OPTIONS*

Payments required on the loan must be made by monthly PAD (pre-authorized debits) using one of the following two repayment options:

Interest only

The PAD transfers vary based on the interest rate and correspond to the interest accrued on the loan for the preceding month.

Principal plus interest

The PAD transfers include repayment of both the principal and interest and vary based on the interest rate in effect and the amortization period selected (5 to 20 years).

* You may repay all or a portion of your loan at any time without penalty.

WHY CHOOSE iA FINANCIAL GROUP?

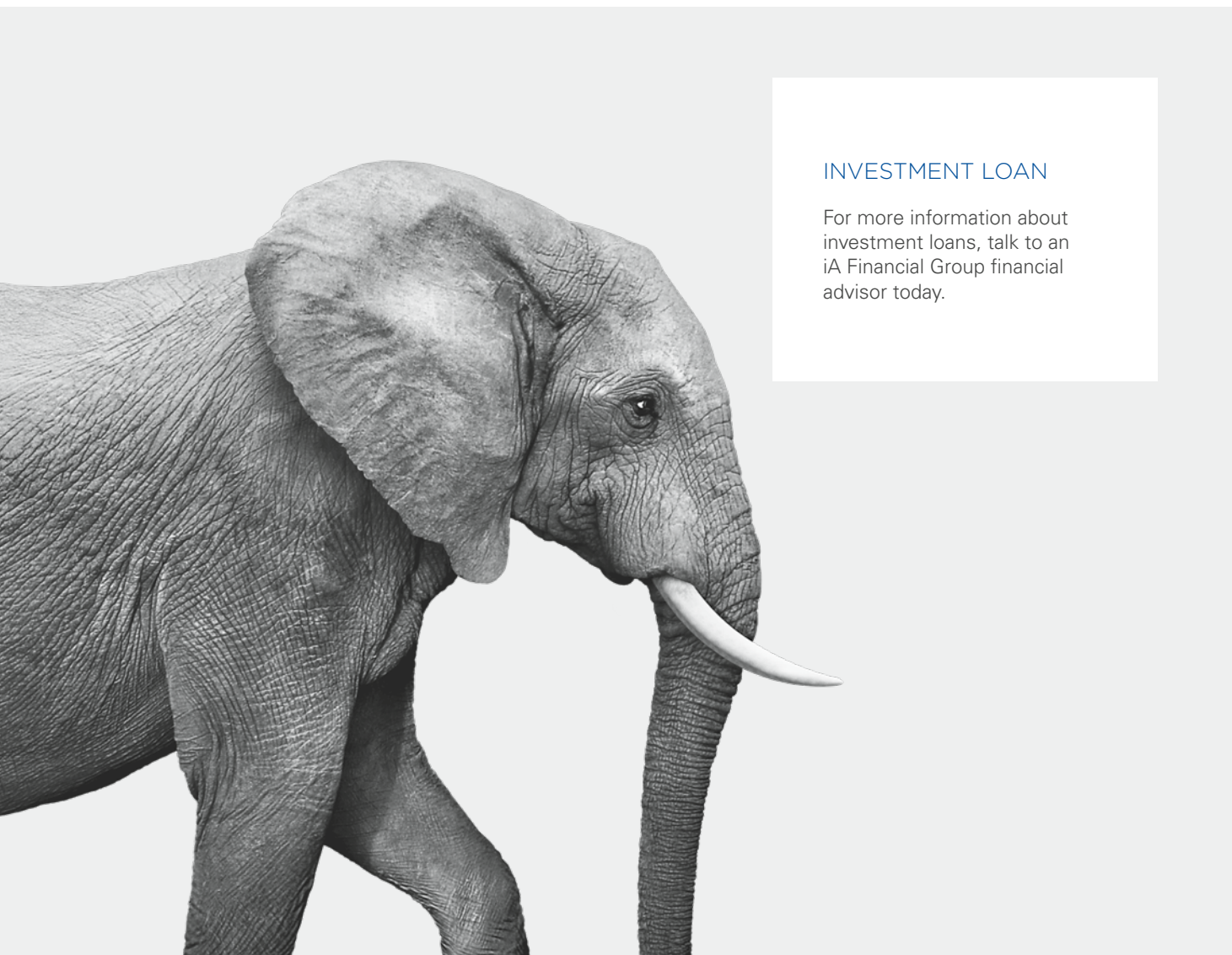
#1 in net sales of segregated funds in Canada since 2016
and a competitive overall offering:

Expertise: A wide selection of funds managed by internationally acclaimed external managers and firms, paired with the in-depth expertise of our internal investment management team (iAGAM)

Variety: Complementary investment products to meet the needs of all types of investors

Investment guarantees: All our products come with guarantees

That's a significant advantage!



INVESTMENT LOAN

For more information about investment loans, talk to an iA Financial Group financial advisor today.

INVESTED IN YOU.

iA Financial Group is a business name and trademark of
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1-844-442-4636

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