

June 2013

Take Advantage of Your Company Retirement Plan

Whether you have just joined your company's retirement program or have been a member for some time, you may not be aware of the many advantages that your company plan provides to you. These advantages are not available through your individual retirement savings plan with your bank, trust company, other financial institution or individual advisor and they include:

1. **Paying Yourself First through Automatic Payroll Deduction**
You have the convenience of having contributions deducted from your pay automatically. This is a far easier method of saving than trying to set aside money once your pay cheque has been deposited into your bank account where you may be tempted to spend it on other items first.
2. **No Sales Charges and Competitive Investment Management Fees**
Your group plan does not charge individual sales commissions such as front-end, rear or deferred sales charges when you purchase market-based funds in the plan. Many individual plans charge these fees.

While both group and individual plans do charge investment management fees on market-based funds, in your group plan this fee is calculated based on the entire assets of the plan (versus your individual account balance alone). This means that the investment management fee charged in your company's group plan is generally much lower than what is charged in an individual plan. Paying lower fees gives you the opportunity to earn a higher rate of return on your investments, which can translate into a greater amount of retirement savings.

If your group plan allows it, you may wish to transfer in individual RRSP's. Before doing so, please verify first with the current plan holder to determine if transfer out fees would apply.

Next month we will review additional advantages of your company retirement savings program. To discuss these benefits at any time, you may contact Reuter Benefits by telephone at 1-800-666-0142 or by email at retire@reuterbenefits.com.