RETIREMENT PRODUCT GUIDE

Desjardins

Money working for people

AH RETIREMENT! A NEW CHAPTER SOME DREAM OF OPENING, WHILE OTHERS ARE NERVOUS ABOUT STARTING IT. EITHER WAY, IT'S GOING TO HAPPEN... ONE DAY. AND OFTEN THAT DAY IS SOONER THAN WE EXPECT. SO IT'S ALL THE MORE IMPORTANT THAT WE BE WELL-PREPARED.

THIS GUIDEBOOK WILL HELP YOU CALMLY DOT THE Is AND CROSS THE Ts ON THE FINANCIAL ASPECTS OF YOUR RETIREMENT. YOU'LL FIND A WEALTH OF ADVICE AND SOME SIMPLE EXERCISES TO HELP YOU FIND YOUR BEARINGS SO YOU CAN BETTER EVALUATE YOUR RETIREMENT NEEDS AND INCOME.

AS ITS TITLE INDICATES, THIS GUIDE CONCENTRATES ON THIS IMPORTANT PHASE OF YOUR LIFE AND THE OPTIONS AVAILABLE TO YOU.

HOLD ON TO THIS GUIDE, YOU'RE SURE TO FIND IT A VERY USEFUL REFERENCE. AND IF YOU HAVE ANY FURTHER FINANCIAL QUESTIONS RELATED TO RETIREMENT, PLEASE DON'T HESITATE TO SPEAK TO A DESJARDINS ADVISOR.

HEADING TOWARDS RETIREMENT

Nowadays, retirement lasts longer than it did 20 years ago. More and more people plan to retire between the ages of 55 and 60, while the average life expectancy is now over 80. In some cases, that means you have to plan for a retirement that might last as long as your professional life.

Planning for this important project therefore requires thorough organization that leaves nothing to chance. Whether your retirement's a few years or a few months away, or even if you're already retired, this guide is valuable to help you:

- consider more carefully those retirement projects that could influence your financial situation during retirement,
- prepare an accurate financial analysis of your financial situation upon retirement,
- make the right choices when converting your savings into retirement income.

Throughout the process, your advisor at your caisse can support you by recommending the best strategy to reach your retirement goals. You'll have more confidence when you're getting the right advice.

THE KEY TO A SUCCESSFUL RETIREMENT: GOOD PLANNING

If your retirement is a few years away, you still have a chance to save for it, to review some strategies and find out about retirement income options. However, if you're just about to retire, then you're also just about to make choices that will have long-term effects.

Whether you have accumulated savings in an RRSP, a Locked-in RRSP, a Locked-in Retirement Account (LIRA) or non-registered savings products for your retirement, before you retire, you need to take time to think about it. Since you've put so much effort into putting the money aside, you surely want to make the best of it.

This important consideration should include:

1. Taking into account the lifestyle you want for your retirement
2. Analyzing your retirement income sources
3. Your retirement budget
4. Analyzing your investor profile

YOUR RETIREMENT LIFESTYLE

Now that your retirement's just a few years or a few months away, it's time to specify your retirement projects and the lifestyle you hope to adopt and maintain. Perhaps you want to:

- Travel
- Become socially active in your community (volunteering, social clubs, etc.)
- Go back to school
- Spend more time on leisure activities (ski, golf, tennis, etc.)
- Move
- Buy a secondary residence, motor home, etc.
- Work part-time
- Divest yourself of certain assets (principal or secondary residence, income properties, business, etc.)

Retirement can last 15, 20, 25, or even 30 years, as this chart shows.

LIFE EXPECTANCY					
MAN			WOMAN		
Current age	Non-smoker	Smoker	Current age	Non-smoker	Smoker
50	81.9	75.8	50	85.3	81.6
55	82.5	77.1	55	85.8	82.5
60	83.4	78.8	60	86.4	83.6
65	84.7	80.9	65	87.2	85.0
69	85.9	82.9	69	88.1	86.4

Take all the time you need to analyze this aspect of your planning, because the results will have a **major impact on the utilization of your retirement budget and your retirement income**.

YOUR SOURCES OF RETIREMENT INCOME

To be comfortable in your retirement, your retirement income should represent about **70 to 80% of your average gross annual income for your last three work years**.

Your income sources can be divided into three categories:

- **Government plans**
- **Registered pension plan** (pension fund)
- **Your financial assets** (registered or non-registered savings, investments and personal holdings)

GOVERNMENT PLANS

The two main sources of retirement income from government plans are **the Québec Pension Plan** or the **Canada Pension Plan**, and the **Old Age Security Pension**.

RETIREMENT PENSION FROM THE QUÉBEC PENSION PLAN (QPP) OR THE CANADA PENSION PLAN (CPP)

The Québec Pension Plan/Canada Pension Plan is a **mandatory public pension fund** offering, among other things, an annually indexed monthly retirement pension to workers who have contributed enough and who apply for it.

You're entitled to receive a retirement pension from the QPP/CPP **starting at 60 years old** (under certain conditions).

The amount of your retirement pension is calculated from employment income declared in your name since 1966, when the Québec Pension Plan and the Canada Pension Plan were created, or since your 18th birthday, if it occurred after 1966. The pension varies according to when you start receiving it.

For example, here are the maximum amounts for the QPP/CPP pensions in 2008.

AGE OF BENEFICIARY	MAXIMUM MONTHLY PAYMENT*
60 years	$619.21
61 years	$672.28
62 years	$725.38
63 years	$778.43
64 years	$831.51
65 years	$884.58
66 years	$937.65
67 years	$990.73
68 years	$1,043.80
69 years	$1,096.88
70 years or older	$1,149.95

*Note that payments vary according to the month when the pension started, between the ages of 60 and 70.

OLD AGE SECURITY PENSION

The Old Age Security Pension is paid monthly **to anyone 65 years or older who applies for it and who fulfills the residency requirements**. For example, for the quarter from July to September 2008, the basic pension amounted to $505.83/month ($6,070/year). This pension is indexed quarterly. Anyone whose net income exceeds $64,718 (in 2008) must reimburse up to 15% of the net income exceeding $64,718 to the pension plan.

People with lower incomes may be eligible for the Guaranteed Income Supplement under certain conditions.

For more information on this topic, contact the government of Canada (Human Resources and Social Development Canada, the department that governs income security programs). Their Web site is www.hrsdc.gc.ca.

TO FIND OUT THE AMOUNT OF YOUR QPP/CPP RETIREMENT PENSION OR ANY RELATED INFORMATION, YOU CAN:

- Contact the Québec Pension Plan or the Canada Pension Plan (Human Resources and Social Development Canada).
- Ask for your statement of contributions, an essential tool that will give you the estimated amount of the retirement pension you could receive at 65 years old, among other things.
- Consult the Québec Pension Plan Web site at **www.rrq.gouv.qc.ca**, or the Canada Pension Plan site at **www.hrsdc.gc.ca**.

REGISTERED PENSION PLAN (PENSION FUND)

Perhaps you have a **pension plan with your employer (either a defined-benefit or a defined-contribution pension plan)**. As each plan has its own particularities, it's important that you get precise information about it from your employer (eligible retirement age, actuarial reduction, whether it's a QPP/CPP integrated plan, projected pension amount, etc.). The goal of these plans is to ensure retirement income for employees.

In addition, make sure to check with your different employers from over the years if you participated in a group savings plan (Group RRSP, Simplified Pension Plan [SPP], Deferred Profit-Sharing Plan [DPSP]).

YOUR FINANCIAL ASSETS (savings, investments and personal holdings)

Here we're referring to both registered and non-registered savings.

Your **personal holdings** consist of various possessions (principal residence, secondary residence, income property, business, etc.). You can, if you wish, divest yourself of some assets during your retirement. The proceeds from the sale, minus any applicable income taxes, could thereby constitute investment savings for your retirement projects.

NOTE: Certain personal holdings might generate income (e.g., rent or business income). As long as you own the asset, this income must be taken into consideration in your planning.

YOUR RETIREMENT BUDGET

This step will help you determine whether your income sources (public and private plans) will meet your retirement needs.

If you have a spouse, it's best to draw up a budget that accounts for both people. That way you'll know what each person's income sources and expenses are, so you'll have a complete picture of the situation and ultimately, with the help of your advisor, you'll be able to develop an integrated financial strategy.

Time to get out the calculator!

A) EVALUATE YOUR SOURCES OF INCOME

This is an important step because it will directly affect the amount you have to withdraw from your retirement savings account. Take the time to calculate carefully.

	YOU	YOUR SPOUSE	TOTAL
ESTIMATED MONTHLY RETIREMENT INCOME			
Old Age Security	$	$	$
QPP/CPP	$	$	$
Registered pension plan (pension fund)	$	$	$
Income from other sources (interest, dividends, annuities, rent, etc.)	$	$	$
1 TOTAL INCOME	$	$	$

B) EVALUATE YOUR MONTHLY RETIREMENT INCOME NEEDS

You can estimate your retirement income needs by calculating 70 to 80% of your average gross annual income for your last three work years. Alternatively, you can calculate your present financial situation by evaluating your current monthly expenses.

	YOU	YOUR SPOUSE	TOTAL
RESIDENCE			
Mortgage, rent or condo fees	$	$	$
Upkeep (taxes, insurance, maintenance)	$	$	$
Utilities (telephone, cable, Internet, electricity, gas, etc.)	$	$	$
CURRENT EXPENSES			
Food	$	$	$
Automobile (gas, maintenance, insurance, registration, parking)	$	$	$
Public transit	$	$	$
Clothing	$	$	$
Personal care (hair care, dry-cleaning, etc.)	$	$	$
Health and medical (dentist, optometrist, medication, etc.)	$	$	$
Donations and gifts	$	$	$
Various	$	$	$
TRAVEL AND LEISURE			
Entertainment (cinema, theatre, subscriptions, books)	$	$	$
Travel	$	$	$
Memberships, clubs and associations	$	$	$
FINANCIAL OBLIGATIONS			
Loans (excluding mortgages)	$	$	$
Credit cards	$	$	$
INSURANCE			
Life insurance	$	$	$
Disability insurance	$	$	$
Drug insurance	$	$	$
INCOME TAXES*			
Federal	$	$	$
Provincial	$	$	$
OTHER EXPENSES			
Unforeseen	$	$	$
Other	$	$	$
2 TOTAL RETIREMENT INCOME NEEDS	$	$	$

*Make sure you take account of your total annual income taxes, including your periodic (quarterly) installments and the payment required when you file your tax return. Then divide by 12.

C) A CALCULATION THAT MAKES ALL THE DIFFERENCE

Now, for a clear idea of your needs, make the following calculation:

	YOU	YOUR SPOUSE	TOTAL
Enter your retirement income (**1**)	$	$	$
Minus			
Your retirement income needs (**2**)	$	$	$
BALANCE (surplus or deficit)	$	$	$

Now you know whether your public and private retirement income will meet your retirement needs.

If the balance is a negative, you'll probably have to make up the difference with your savings, investments or some personal holdings.

D) ANALYZE YOUR CURRENT FINANCIAL SITUATION

The calculation below will help you evaluate your assets and the amount available for your retirement. This calculation should be as precise as possible because it forms the basis of your financial strategy for retirement.

	YOU	YOUR SPOUSE	TOTAL
INVESTMENT SAVINGS			
RRSP (including group RRSPs)	$	$	$
Locked-in RRSP	$	$	$
Deferred Profit-Sharing Plan (DPSP)	$	$	$
Simplified Pension Plan (SPP) or Individual Pension Plan (IPP)	$	$	$
Locked-in Retirement Account (LIRA)	$	$	$
Other (cash, term savings, stocks, bonds, universal life insurance, etc.)	$	$	$
3 TOTAL INVESTMENT SAVINGS	$	$	$
PERSONAL HOLDINGS			
Residence and rental property	$	$	$
Valuables	$	$	$
Other goods	$	$	$
4 TOTAL PERSONAL HOLDINGS	$	$	$
5 TOTAL PERSONAL ASSETS (**3** + **4**)	$	$	$
DEBTS			
Credit cards	$	$	$
Line of credit	$	$	$
Personal loans	$	$	$
Mortgage	$	$	$
Other loans	$	$	$
6 TOTAL DEBTS	$	$	$
TOTAL NET PERSONAL ASSETS (**5** - **6**)	$	$	$

To help you acquire the retirement income that meets your needs and lifestyle, you must ensure your investment strategy matches your investor profile perfectly.

REASSURING WAYS TO MAINTAIN YOUR LIFESTYLE DURING RETIREMENT

Your health is one of your greatest allies in reaching your goals. If your health falters, would your retirement income be enough to meet your needs, without negatively affecting your investments and your estate?

As a part of retirement planning, the health and life insurance policies offered by Desjardins Financial Security[1] are effective strategies for protecting yourself against unforeseen circumstances.

Several solutions are available:

Critical illness insurance

- Gives you the means to face the financial impact of being diagnosed with a critical illness, as specified in the contract.
- Provides a lump-sum tax-free payment that you can as you see fit.
- Provides for reimbursement of home care services (housekeeping, preparation of meals, etc.).

Loss of independence insurance

- Allows you to receive a non-taxable monthly benefit, should you become unable to care for yourself.
- Total freedom as to how the amount received is used, giving you complete flexibility with how you choose to manage the funds.

Universal life insurance

- Allows you to accumulate a significant amount of tax-sheltered money, allowing you to supplement your retirement income.
- Offers the possibility of withdrawing funds tax-free, in case of disability, surgery, critical illness, or loss of independence.
- Covers tax burden upon the death of the last spouse.

To assess the impact that failing health or death could have on your retirement income, speak to an advisor at your caisse.

YOUR INVESTOR PROFILE FOR RETIREMENT

There is no doubt that your investments must continue to grow in harmony with your investor profile, for the next 15, 20, 25 or even 30 years.

Once you and your Desjardins advisor* have determined your investor profile, it's time to diversify. That's one of investment's golden rules, and an essential aspect of your strategy. Diversification is the distribution of your portfolio among various asset classes according to your investor profile and in keeping with your investment outlook and goals. The objective is to increase the return potential of your overall portfolio and reduce its volatility by using various financial instruments, and investing in many markets.

THE DESJARDINS VISION–RETIREMENT PROGRAM: A SERVICE DESIGNED JUST FOR YOU!

Whether you are a few months away from retirement, or even already retired, your Desjardins advisor can offer you a new service to help you pinpoint your objectives and help you find the means to achieve them.

Are you concerned about your savings? Afraid that you may run out of funds? Worried that the financial situation of your loved ones may not hold out against unforeseen circumstances? The Desjardins Vision–Retirement program is based on an analysis of three major issues: management of your income, life and health insurance coverage and the transfer of your assets. Your advisor can help you create a strategy perfectly adapted to your investor profile, your needs and your specific expectations, while offering you an overall portrait of your retirement.

1 Offered by a Desjardins Financial Security advisor with Desjardins Financial Security, Financial Services Firm.
*A mutual fund representative at Desjardins Financial Services Firm Inc.

RETIREMENT CHOICES

When you retire, you have to choose how to convert your accumulated savings into retirement income. These cumulative savings include RRSPs, Locked-in RRSPs, Locked-in Retirement Accounts (LIRA) and non-registered savings.

You have several options. Here are a few:

REGISTERED RETIREMENT INCOME FUND (RRIF)

The RRIF is the continuation of the RRSP. You invest in an RRSP to prepare for the best possible retirement. With an RRIF, you periodically withdraw the amounts you need (subject to the minimum legal withdrawal amount), while continuing to manage your investments and accumulate tax-sheltered income.

LIFE INCOME FUND (LIF)

The Life Income Fund is an account into which you can transfer money from your LIRA (under provincial jurisdiction) or your Locked-in RRSP (under federal jurisdiction). You'll only have a LIRA or a Locked-in RRSP if you have left a job, generally before the age of 55, and transferred the value of your pension entitlement into the LIRA or Locked-in RRSP. With an LIF, you periodically withdraw the amounts you need, within the legal maximum and minimum limits, while continuing to manage your investments and accumulate tax-sheltered income.

As of January 2008, you are no longer required to convert LIFs under Ontario jurisdiction into a life annuity by December 31 of the year you turn 80. Also as of January 2008, the Government of Ontario introduced a new life income fund which has increased the income of retired persons.

For the LIF under Québec jurisdiction:

- You are not required to convert your LIF into life annuities.
- You can benefit from the current legislation, under the Supplemental Pension Plans Act.

Please see an advisor at your caisse for further details.

To determine the minimum withdrawal amount for an RRIF/LIF, multiply the minimum required payment percentage at the beginning of the year (which depends on your or your spouse's age)*, by the RRIF/LIF balance at the beginning of each year. For the LIF, there is also a maximum limit governing the amounts you withdraw.

MINIMUM REQUIRED PAYMENT PERCENTAGE (RRIF/LIF ACQUIRED AFTER 1992)			
AGE AT BEGINNING OF THE YEAR	PERCENTAGE	AGE AT BEGINNING OF THE YEAR	PERCENTAGE
50	2.50%	75	7.85%
55	2.86%	80	8.75%
60	3.33%	85	10.33%
65	4.00%	90	13.62%
70	5.00%	94 or over	20.00%

*For the LIF (Québec jurisdiction) the pensioner cannot opt for the spouse's age unless the spouse is younger.

LIFE ANNUITY

A life annuity is a contract under which a life insurance company agrees to pay you periodically throughout your life, a given amount (annuity) in exchange for money accumulated in your RRSP, Locked-in RRSP, LIRA, RRIF, LIF or non-registered savings.

THE FIXED-TERM ANNUITY

This is a contract wherein a financial institution agrees to pay you, until the age of 90, a given periodic payment (annuity) in exchange for money accumulated in your RRSP or RRIF.

AN RRIF-ANNUITY OR LIF-ANNUITY COMBINATION

An RRIF-Annuity or LIF-Annuity combination may be advantageous for some people, because it provides retirement income flexibility and security.

SINGLE OR SUCCESSIVE WITHDRAWALS

As a retiree, you might want to consider single or successive withdrawals from your RRSP if you haven't yet chosen which retirement income option you prefer, or if you'd like to have access to cash occasionally on an irregular basis. In that case, ensure your RRSP investments allow you to make one or more withdrawals when you wish. Note that all RRSP withdrawals are subject to taxes withheld at source.

DID YOU KNOW?

For RRSPs, you must transfer the amount accumulated into an annuity or RRIF, while for LIRAs or Locked-in RRSPs, you must transfer the funds into an annuity or LIF. In both cases, this must be done no later than December 31 of the year you turn 71.

DESJARDINS RETIREMENT PRODUCTS: MANY OPTIONS TO BETTER MEET YOUR NEEDS

Your Desjardins caisse always puts its members' needs first. That's why we offer a wide array of products and services you can choose from to build the retirement you deserve.

DESJARDINS PERSONALIZED ANNUITY RRIF/LIF™*

This type of RRIF/LIF comprises a single one- to five-year **certificate of deposit**, and a guaranteed return on your entire investment for the duration of the term.

Choose between various types of payouts, which you can change at any time you wish. Other than your periodic withdrawals, you're allowed to take lump payouts as often as you like. Upon renewal, you can keep your term deposit length or change its length and modify the amount and/or frequency of your withdrawals.

PERMANENT SHARES RRIF/LIF[1]

Permanent Shares are exclusive Desjardins capital shares that offer a higher return than a one-year term deposit. The interest can be re-invested automatically as additional shares.

THE DESJARDINS TERM SAVINGS RRIF/LIF

Term savings products provide higher interest that is guaranteed for the term of the investment, which can vary between one and ten years (the choice is yours). It is recommended that you stagger the years your investments mature to protect yourself from interest rate-related risk.

*™ The Fédération des caisses Desjardins du Québec is an authorized trademark user.
1 Permanent Shares can be purchased in participating Desjardins caisses in Québec from an authorized representative of Desjardins Financial Services Firm Inc.

MARKET-LINKED GUARANTEED INVESTMENT RRIF/LIF

As an investor, you have specific objectives. You are looking for varied financial products that perform well and that enable you to diversify your portfolio and earn you higher returns. Market-linked guaranteed investments offer you a two-fold advantage: no risk for your capital and a potentially higher return.

There are two main types of market-linked investments:

INDIVIDUAL SOLUTIONS

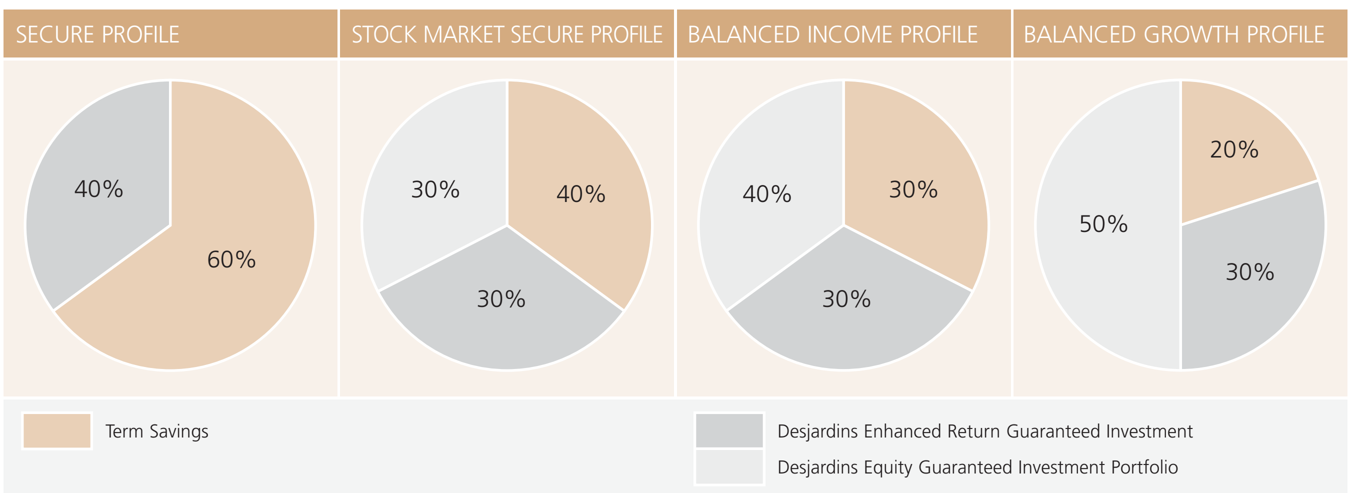
These highly competitive options offer you access to two asset classes: fixed income and growth, to increase your portfolio diversification and yield.

The return on these investment solutions is based on the performance of stock markets. The Desjardins Enhanced Return Guaranteed Investment also includes a guaranteed minimum return.

TURNKEY SOLUTIONS

The Desjardins Profile Guaranteed Investment Portfolio is a turnkey savings solution offering term savings products distributed according to your investor profile.

You have four options to choose from:



RETIREMENT PORTFOLIO MODELS

There are four diversified portfolios offered according to various investor profiles. These portfolios are composed of conventional term savings and market-linked guaranteed investments. They are mainly made up of guaranteed capital products, the percentage of which depends on the member's profile. Each retirement portfolio model allows investors to earn an income, based on their specific situation and the type of account (registered or not registered). They also focus on long-term capital protection.

DESJARDINS FUNDS RRIF/LIF[1]

When you invest in an investment fund, you're putting your money together with many investors who share the same objectives as you. Specialists manage Desjardins Funds RRIFs/LIFs to give you access to financial markets so you can realize your retirement projects.

CHOICES FOR ALL INVESTOR PROFILES

Whether you're looking for regular income or long-term capital growth, Desjardins Funds offer you a choice from each asset category – income funds; balanced funds; Canadian, American, global and international growth funds; and specialized funds – and meet all your investment needs. Desjardins Funds propose investment solutions that simplify your choices. These turnkey portfolios allow you to create a well-diversified fund portfolio with a single investment. They also offer you the peace of mind you are looking for by making it easier to manage your finances.

DIAPASON RETIREMENT PORTFOLIOS – A SMART CHOICE

Composed of Desjardins Funds especially selected for their top-notch, consistent results, Diapason Retirement Portfolios offer you the means to carry out your plans and just enjoy life.

Designed to manage your capital while allowing it to grow, these portfolios are very accessible, with a required initial deposit of only $25,000. They combine the expertise of respected managers and offer you attractive savings and/or tax deferrals. Furthermore, the automatic redistributions are an excellent diversification tool for your portfolio, giving you peace of mind amid market fluctuations.

There are many options open to you for meeting your retirement income needs. Your advisor can help you decide which option is best for you.

With Diapason Retirement Portfolios, let your money work for you!

1 Desjardins Funds are offered by the mutual funds representatives at Desjardins Financial Services Firm Inc., a Desjardins Group company. The Desjardins Funds are not guaranteed, their value fluctuates frequently and their past performance is not necessarily indicative of their future returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the simplified prospectus before investing.

CHORUS PORTFOLIOS – AN INVESTMENT OF CHOICE!

Chorus Portfolios are composed of a specially selected set of Desjardins Funds[1], some of which are co-branded with other well-known managers. They require a minimum deposit of $100,000, which is invested in a range of funds carefully diversified by asset class, management style and geography.

This turnkey formula is designed to protect your capital and make sure it lasts longer. Efficient and hassle-free, Chorus portfolios accompany you through every step of your life so that when you approach or reach retirement, your portfolio can easily adapt to suit your new reality!

There are many options open to you for meeting your retirement income needs. When the time comes, your advisor can help you decide how much to withdraw from your portfolio, and how often.

Enjoy the advantages you can get with Chorus Portfolios!

AN EFFECTIVE SOLUTION TO DRAW INCOME FROM YOUR NON-RRSP SAVINGS

Monthly fixed-income investments provide periodic payouts, plus you benefit from a clear tax advantage: tax carry-overs. This is an investment solution that draws on selected Desjardins Funds T-Class Units to give you access to the bond and stock markets. T-Class Units are also available through the Diapason and Chorus Retirement programs.

RRIF/LIF GUARANTEED INVESTMENT FUNDS (HELIOS CONTRACT)[2]

The Helios Contract offers:

- A choice of three distinct guarantees[3]
  - Guarantee 75/75
  - Guarantee 75/100 i[4]
  - Guarantee 100/100 r[5]
- Protection against market downturns and increases to reflect upturns
- A guaranteed and predictable retirement income regardless of market fluctuations
- A choice of diversified investment funds
- With turnkey solutions adapted to your needs

1 Desjardins Funds are offered by the mutual funds representatives at Desjardins Financial Services Firm Inc., a Desjardins Group company. The Desjardins Funds are not guaranteed, their value fluctuates frequently and their past performance is not necessarily indicative of their future returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the simplified prospectus before investing.
2 The Helios Contract is offered by Desjardins Financial Security, through one of its financial security advisors and will not be in the "caisse intégrée" statement. The Desjardins Financial Security Guaranteed Investment Funds are established by Desjardins Financial Security Life Assurance Company.
3 Please refer to the document Contract and Information Folder, which describes the rules governing the Death Benefit amount and the guarantees.
4 The Guarantee 75/100i (i = inflation protection) against cost of living increases by adjusting the value of your deposits to the Consumer Price Index when paid out to your loved ones.
5 With the Guarantee 100/100r (r = reimbursement of fees), every 10 years after making a deposit, you will be reimbursed a portion of the fees paid for this guarantee, if the market value is equal or greater than the guaranteed value of your investments.

SELF-MANAGED RRIF/LIF

Self-managed RRIFs/LIFs[1] are available through Desjardins Securities. They offer access to a vast array of investments, including stocks, trust shares, strip coupons, mutual funds and other securities.

SOME ADVANTAGES OF THE DESJARDINS RRIF/LIF

- They are easily obtained and easy to follow.
- Highly competitive returns: benefit from market fluctuations or obtain a guaranteed interest rate throughout the selected term.
- You have full control over your funds: you can change the amount of your periodic payouts according to your needs and to make lump-sum withdrawals as you see fit (subject to the minimum annual withdrawal limit for the RRIF/LIF and the maximum for the LIF).
- You may distribute your income over a predetermined number of years or until depletion to create a lifetime income.
- You can spread your income taxes over several years, because the transferred funds are taxable only when cashed.
- Payments can be made on a weekly, monthly, quarterly, half yearly or annual basis.
- You can convert all or part of your savings into an annuity whenever you wish.
- If you die, the proceeds may be rolled over to your spouse or, if you have no spouse, your beneficiaries will inherit all the accumulated funds, after paying the applicable taxes.
- Your periodic payouts can be indexed to preserve your purchasing power.

RRIFS/LIFS ARE IDEAL IF YOU WANT TO:

- Maintain control over all or part of your retirement savings investments;
- Temporarily convert your RRSP, Locked-in RRSP or LIRA;
- Be able to index your entire retirement income;
- Be able to modify your retirement income to meet your needs, while respecting the minimum annual withdrawal limit (maximum for LIFs).

1 Issued and administered by Desjardins Securities and its online brokerage division, Disnat. The trustee is Desjardins Trust. Certificates of deposit are insured in Québec by the Autorité des marchés financiers and by the Ontario Deposit Insurance Corporation in Ontario. Government bonds and strip coupons are 100% guaranteed at maturity by the issuer. Commissions, trailing commissions, management fees and other expenses all may be associated with mutual fund investments. Mutual fund units are not guaranteed, their value fluctuates frequently and past performance is not necessarily indicative of future returns. Please read the prospectus before investing. Desjardins Securities is a member of the Canadian Investor Protection Fund.

THE LIFE ANNUITY

For savings converted from your RRSP, Locked-in RRSP, LIRA, RRIF and LIF, life annuities from Desjardins Financial Security offer many advantages, such as:

- The annuity amount is pre-established and guaranteed at purchase. It is therefore sheltered from interest rate drops, and you no longer need worry about managing your funds.
- The life annuity ensures you receive periodic payments until you die.
- The amount of your annuity can be indexed up to 4% per year so you preserve your purchasing power.
- You can spread your income taxes over several years, because the amount transferred for purchasing a life annuity is taxable only when your monthly payments are cashed.
- You can have a guaranteed payment period with your life annuity (normally 5, 10, 15 or 20 years, or until the age of 90). In the event of death during this period, your spouse will continue to receive the annuity until the end of the guaranteed period. If you're not survived by a spouse, your designated beneficiary or heirs will receive an amount corresponding to the actuarial value of the payouts for the remainder of said period.
- The amount of the annuity may be reversible in case of death, in which case it would be paid to your spouse until their death. By law, if there is a spouse and the funds are from a LIRA, Locked-in RRSP or LIF, the reversibility shall be 60% or more, unless the spouse has renounced their right in writing.
- Upon the death of the pensioner, various options are proposed to the spouse and/or beneficiary, who can choose to continue receiving the annuity or an amount corresponding to the actuarial value of the remaining balance.

FIXED-TERM ANNUITY (ANNUITY CERTAIN)

For funds converted from RRSPs and RRIFs, your Desjardins caisse carries Desjardins Financial Security and Desjardins Trust fixed-term annuities, which offer various advantages:

- The annuity amount is pre-established and guaranteed at purchase. It is therefore sheltered from interest rate drops, and you no longer need worry about managing your funds.
- With the fixed-term annuity you receive a guaranteed periodic payout for the term that you choose.
- The amount of your fixed term annuity can be up to 4% per year so you preserve your purchasing power.
- You can spread your income taxes over several years, because the amount transferred for purchasing a fixed-term life annuity is taxable only when your monthly payments are cashed.
- Upon the death of the pensioner, various options are proposed to the spouse and/or beneficiary, who can choose to continue receiving the annuity or an amount corresponding to the actuarial value of the remaining balance.

You can purchase an annuity with your non-registered savings funds. These annuities are the same as those purchased with registered funds, except for the following:

- For the life annuity, only the annuity interest is taxable.
- For the fixed-term annuity, only the interest is taxable and the guarantee period may end before you're 90 years old.

REGULAR INCOME TERM SAVINGS

If you have money outside of a registered plan (RRSP, Locked-in RRSP or LIRA) it's possible to convert it into regular income term savings. You can receive the amounts taken from this term savings automatically and periodically. Just pick the amount and frequency that suits you, which you can change every year. This type of investment guarantees returns on the full amount of your deposit for the entire term. Terms from one to five years are available and, if you select redeemable term savings, you can withdraw a lump-sum amount of up to 20% of the balance annually without penalty.

YOUR DESJARDINS ADVISOR: YOUR BEST ALLY!

The creation of your investment saving strategy is a complex process that must take many factors into account. Your advisor is there to help you choose the best strategy for you. Your advisor's knowledge and experience at Desjardins is your best guarantee of making sure your income suits your new retirement lifestyle.

SUMMARY COMPARATIVE CHART

	RRIF/LIF	ANNUITIES
Management	• Easy management, full control of funds. • Easy access to information. • Choose from a vast array of investments.	• No management responsibilities.
Characteristics	• You can change the periodic payout amounts, and lump-sum withdrawals can be made when you wish, within the legal limits. • You can change your choices. • Competitive returns follow market levels. • You can get a guaranteed interest rate for the term you chose.	• Predetermined and guaranteed income possible. • Conditions set at purchase. • Interest rate guaranteed for term of annuity. • Possibility of indexing the amount of the annuity up to 4%.
Duration	RRIF: • You choose the one that suits you best. • Possibility of lifetime income. • Guaranteed use of all funds (by pensioner to spouse or heirs). • Upon the pensioner's death, the surviving spouse can transfer the full RRIF balance into an RRSP or an RRIF in their name, tax-free. LIF: • Guaranteed access to all funds by pensioner or heirs. • Upon the pensioner's death, the surviving spouse may transfer the full balance of a provincial LIF into an RRSP or an RRIF in their own name, or the full balance of a federal LIF into a Locked-in RRSP or another federal LIF in their own name, tax-free.	FIXED-TERM ANNUITY: • Income paid until age 90. • In the event of death, annuity can be paid until guarantee period ends. • If there is no surviving spouse, the successors receive an amount corresponding to the actuarial value of the payouts for the remaining guarantee. LIFE ANNUITY: • Income paid until death. • In the event of death, annuity paid to spouse until guarantee period ends or, if annuity is reversible, until spouse dies. • If there's no surviving spouse, the designated beneficiary or successors receive an amount corresponding to the actuarial value of the payouts for the remaining guarantee.
Taxation	• The pensioner is only taxed on income received during the year. • Upon the pensioner's death: - The surviving spouse or the dependent children/grandchildren under 18 are taxed only on income received during the year; those over 18 are taxed on the balance during the year of death. - In all other cases, the balance held in the plan is taxable to the pensioner.	• The pensioner is only taxed on the income received during the year. • Upon the pensioner's death: - The surviving spouse or dependent children/grandchildren are taxed only on income received during the year. - In all other cases, the pensioner is taxed on the discounted value.
Security	• Financial stability of Desjardins Group. • In Québec, investments in GICs are insured by the Autorité des marchés financiers while in Ontario they are insured by the Ontario Deposit Insurance Corporation.	• Financial stability of Desjardins Group affiliates. • Income guaranteed by Assuris, up to $2,000 per month.

ADVICE TO ENHANCE YOUR STANDARD OF LIVING DURING RETIREMENT

IF YOU ARE NOT YET RETIRED:

- Contribute the maximum to your RRSP, in cash with new periodic payments. You might also consider contributing to your spouse's RRSP.
- Think about borrowing to top up your contributions.
- Make sure your investments are well diversified for better returns, in keeping with your investor profile and investment outlook.
- When it's time to convert your RRSP – and, if applicable your Locked-in RRSP and LIRA – into retirement income, take the time to analyze the various available options. You should deal with a professional, who will take into account your objectives, your plans, your personal values and your interests.
- NEW: Beginning in 2009, a tax-free savings account (TFSA) will be available. This account will allow you to save up to $5,000 annually tax-free. Contributions will not be deductible from your taxable income and withdrawals will be non-taxable. As with the RRSP, unused contribution room will be carried forward to future years. Interest income, dividends and capital gains (capital loss will not be deductible) earned through the TFSA will be tax free. Another unique feature of the TFSA: withdrawals will be added onto unused contribution room for the following year in the amount of the withdrawal.
- If you are looking for an investment that offers attractive tax credits and the possibility of long-term returns, you may want to consider purchasing **Capital régional et coopératif Desjardins*** shares. That way you participate in the economic development of Québec and at the same time receive a **50% Québec tax credit** for the year you invest.

IF YOU ARE ALREADY RETIRED:

- Convert your RRSP into retirement income as late as possible (maximum age is 71) if your revenue from other sources is sufficient. Generally, it's best to use non-registered funds as retirement income before using registered funds, because your registered funds can continue to mature in a tax shelter.
- If you don't have a tax credit for your pension income, it's best to convert all or part of your RRSP, Locked-in RRSP or LIRA into an RRIF/LIF. The pension income allowed for this credit is $2,000 per year at the federal level, starting at age 65. In Québec, the pension income tax credit is $1,500 per year beginning at any age, but may be reduced depending on your family income.
- Because you're legally obliged to withdraw the minimum annual amount from your RRIF/LIF, it would be wise to base the minimum annual withdrawal on the age of the youngest spouse, lowering your compulsory annual pension.
- Invest the maximum annual amount in the new tax-free savings account (TFSA).
- To avoid having the contributing spouse taxed on part of the RRIF pension, it would be best if the pensioner were to withdraw only the annual minimum for the first two civil years after the last contribution was paid in the pensioner's name by the pensioner's spouse.
- Make sure your investments are well diversified so you can benefit from the best returns, in line with your investor profile.
- For taxation purposes, it could be advantageous to share the retirement annuity from the Québec Pension Plan or the Canada Pension Plan between legal or common-law spouses 60 years or older.
- As of 2007, if you have a spouse (married or common law) whose income is quite different from yours, take maximum advantage of pension income splitting with your spouse. The main income eligible is pension plan annuities, regardless of age, and as of the age of 65 you can also split withdrawals from an RRIF or LIF.

*Capital régional et coopératif Desjardins shares are sold by Capital régional et coopératif Desjardins. They can be purchased in participating Desjardins caisses in Québec from an authorized representative. Detailed information on these securities can be obtained in the prospectus available in participating Desjardins caisses and on the Web site www.capitalregional.com.

PROTECT YOUR SAVINGS!

Did you know that between 28% and 48% of your RRIF/LIF could be returned to the government upon your death? If your spouse, son, daughter or financially dependent grandchild are not your heirs, the government will withhold taxes on these funds; the amount varies according to the taxable income of the deceased.

In case of death, Desjardins Financial Security 50 + Life Insurance can pay the taxes owing when your RRIF/LIF is deregistered. This insurance is aimed at meeting the needs of members who are 50 to 75 years old. It is easy to obtain and there is no medical exam. You just call and answer four questions to determine your eligibility – and that's it! You can be insured the same day.

COMPLEMENTARY SERVICES[1]

Your caisse offers you specialized Desjardins financial, trust and private management services, including:

DISCRETIONARY PORTFOLIO MANAGEMENT

This service was created for investors with assets exceeding $500,000, who want to benefit from the expertise of professional managers to select the securities that optimize their portfolio's return potential within the limits set by the investor. These experts have the sophisticated understanding and tools to build you an effective portfolio, so you can make the most out of life and have time for the activities that interest you.

SPECIALIZED FINANCIAL PLANNING

Desjardins Private Management financial planning takes an integrated approach to all areas of planning. As a result, you can choose to focus on the details of preparing for retirement (for example, setting up an individual pension plan [IPP]), planning your estate, or organizing the sale of your business, according to the mandate you've given to your financial planner.

ESTATE LIQUIDATION

Executing the administrative, legal and financial tasks related to a liquidation is complex and fastidious. Our multidisciplinary team can oversee these essential tasks to ensure a smooth transmission of your inheritance while adhering to the law and, above all, respecting the wishes of the deceased.

ADMINISTRATIVE SERVICES*

Your schedule hardly leaves you time to look after your personal business. Take a break! This service manages it for you: collecting your income, paying your bills and so on.

ADMINISTRATION OF A MANDATE IN CASE OF INCAPACITY OR A PROTECTION PLAN

This service applies to three types of protection: mandates in case of incapacity, guardianship and trusteeship. Our team of professionals takes care of all related administrative, legal, tax and financial tasks. This team ensures professional and effective administration of the holdings of an incapacitated person, in conformity with the mandate and the law.

1 These services are offered by Desjardins Trust, a financial planning firm, with the exception of portfolio management, offered by Gestion Placements Desjardins, registered advisors with unrestricted practice.
*Administrative services are reserved for portfolio management clients of Desjardins Private Management.

THE SECURITY OF YOUR RETIREMENT STARTS WITH THE SECURITY OF YOUR MONEY

Your deposits in each caisse are guaranteed* by either the Autorité des marchés financiers, or the Ontario Deposit Insurance Corporation, within the established parameters.

In Québec, before resorting to the protection of the Autorité des marchés financiers, each caisse is protected by the Fonds de sécurité Desjardins, the role of which is to ensure the solvency of each caisse. If necessary, this organization covers the deficit a caisse may be unable to. As at April 30, 2008, there were $600 million in this fund to secure the daily operations of caisses.

*This guarantee does not apply to money invested in mutual funds or other investment vehicles whose value and returns fluctuate depending on market performance, such as stocks, bonds and Treasury Bills, to name a few.

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