

# Start Contributing Early in Life

The earlier you start making contributions, the larger the value of your RRSP will be at retirement. If you delay making contributions, even just for a few years, the effect on your retirement income can be dramatic.

If you start contributing \$10,000 at age 35 at the beginning of each year and earn a return of 6.00% per year, your RRSP will be worth \$581,564 at age 60.

If you wait 2 years until you are age 37 before contributing, your RRSP will only grow to \$498,156 at age 60, a difference of \$83,408.

That means an annual retirement income of \$29,889 rather than \$34,894.

| Growth of \$10,000 Annual RRSP Contributions Earning 6.00% |                      |                                  |
|--|----------------------|----------------------------------|
| Starting Age   | RRSP Value At Age 60 | Annual Retirement Income @ 6.00% |
| 35   | \$581,564            | \$34,894                         |
| 37   | \$498,156            | \$29,889                         |
| 40   | \$389,927            | \$23,396                         |
| 45   | \$246,725            | \$14,804                         |
| 47   | \$200,151            | \$12,009                         |
| 50   | \$139,716            | \$8,383                          |

This chart is for illustrative purposes only and is not intended to project the performance of any particular investment.

# Disclaimer

Figures stated in the attached report are derived based on assumptions and information provided by you, the client. These assumptions and information will change over time. Some of the information presented is based on current tax rules and legislation which are subject to change. Hence, it is imperative that you review your financial plan regularly to ensure it is up-to-date and addresses your current needs. It is also important to look at a few different scenarios to get an idea of the impact of various assumptions on your planning objectives.

Information provided in the attached report is general in nature and should NOT be construed as providing legal, accounting and/or tax advice. Should you have any specific questions and/or issues in these areas, please consult your legal, tax and/or accounting advisor.

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