



## RRSP Tax Savings on Retirement Funds



Securing your future with mutual funds, RRSPs, pensions and portfolio management services.

Your Future. Our Business.

Did you know that a Fortress Registered Retirement Savings Plan (RRSP) can help you to create tax savings while building savings for your retirement? It can also enable you to retain your tax privileges on a pension settlement.

The Government of Barbados has created a tax credit provision that you can use when investing for your retirement, allowing you to claim as much as \$10,000 per annum as a tax allowance.

If you already have existing Fortress mutual funds that you have held for 5 or more years you can enjoy this tax credit without adding any additional funds.

## SAVE TAXES AND GROW YOUR INVESTMENT

\$10,000

\$24,398\*

Value of \$10,000 after 10 years if the tax allowance is taken and amount invested

\*Assumes 35% tax rate and an average annual return of 7%

An RRSP is simply a government registered account designed to hold your mutual fund investments now, and then provide you with regular income after you retire.

## An RRSP is right for you if:

- You want to take advantage of the deductions offered by the government as an incentive to save for your retirement.
- You want to invest for your retirement and are comfortable with committing the funds until then.

**OR**

- You are self-employed and do not have a pension plan.
- You want to avoid being taxed on your pension settlement.

## The Best Plan

*Fortress offers the best plan for your money*

- Choose from a variety of investment options to suit your retirement timeline and profile.
- Contribute in lump sums, or on a regular schedule. You can invest in any of our plans with a minimum of \$100 per month or \$1200 per annum.
- Avoid high investment and administrative fees.
- Share in the returns of some of the best mutual funds in Barbados.
- Choose how your money is invested. We offer several funds to invest in.
- No limits on the amount you can earn—returns are based on actual fund performance.

## Easy Options

Take advantage of either the Select Fund or Managed Fund Options.

### Option 1 – SELECT FUND OPTION

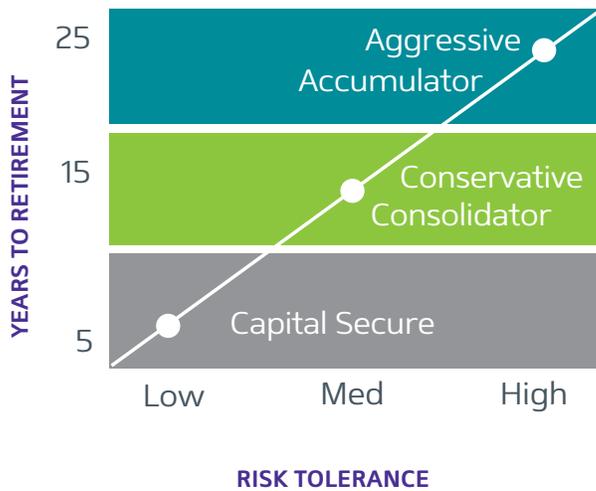
You can choose to invest in either of our premier funds.

**Fortress Caribbean Growth Fund** – This fund is a long-term investment and is primarily made up of equities or common stock of companies located throughout the Caribbean and internationally. The intent is to invest in stocks that will increase in value over time and any dividends that are paid are re-invested in the fund which serves to increase the share value. The weekly price of the fund fluctuates, but historically the trend has been up.

**Fortress Caribbean High Interest Fund** – This fund is intended to be a medium to long-term investment and focuses on preserving your investment while generating the best possible income without significant exposure to risk. The portfolio is made up of fixed income products – bonds or preferred shares in corporations and governments primarily located in the Caribbean that offer fixed rates of interest and dividends with fixed terms to maturity.

### Option 2 - MANAGED OPTION

To make things easy we have prepackaged our funds to suit your timeline and risk tolerance. Ultimately you should choose the one that you are most comfortable with.



#### Aggressive Accumulator (AA) Share

If you are between 20 and 40 years of age and are comfortable "riding out" short-term volatility, maximise your return by investing in our Aggressive Accumulator share.

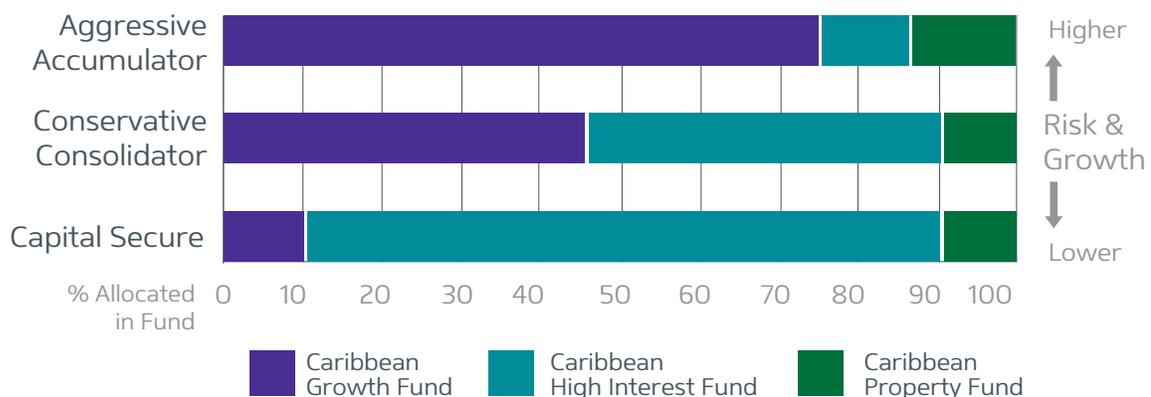
#### Conservative Consolidator (CC) Share

If you plan to retire sometime in the next five to 20 years you will want to show less tolerance to short-term market volatility when you invest. If this suits your profile our Conservative Consolidator share could be the solution for you.

#### Capital Secure (CS) Share

If you are within five years of retirement, you may want to safeguard the assets you have built up by avoiding the risk of short-term market fluctuations. In this case, your best bet is to focus on the Capital Secure share.

## What are the Key Investments?



## Opening an Account:

*Investing in an RRSP is quick and easy.*

**Existing Clients** - Call us or visit our office and we will arrange to either transfer your existing investments or open a new account for you.

**New Clients** - Just bring the following documents to Fortress Fund Managers:

- Barbados ID card or current passport if you are a non-resident
- NIS card
- Utility bill displaying your name and home address
- Cheque for the purchase amount made out to Fortress Insurance Company Ltd.

## How we will keep you up to date

Once you have established your plan, Fortress will provide you with the following information:

- Yearly statements of your account
- For Select Fund Option Investors:
  - o Weekly NAVs (Net Asset Values) for each fund available on our website, in the newspaper, and Barbados Stock Exchange reports
  - o Annual reports of your investment's performance with easy to follow commentaries available from our website
- For Managed Option Investors:
  - o Monthly NAVs on our website

## Frequently Asked Questions

*How does an RRSP work?*

A Registered Retirement Savings Plan (RRSP) is a government approved and regulated investment plan that can be used as a means of saving for retirement. Money you invest should remain in the plan until you retire. You contribute to your plan during your working years and earn a tax deduction when you invest.



*What happens when I retire?*

When you reach retirement age (55 - 65) you will use the proceeds of your plan to purchase an annuity that will provide you with pension payments for the rest of your life. At that time you will have the option to take 25% of your plan's value as a tax-free lump sum payment.

*What if I want to modify my investment?*

Changes can be made once per year and are at no charge to you. You can modify your option for either your current investment or just your future contributions.

*Can I make withdrawals?*

Although the purpose of the plan is to save for retirement, and early withdrawals are generally not permitted, legislation allows you to make a one-time withdrawal for up to 10% of the purchase price of your first home, up to a maximum of \$25,000. Some conditions apply. Other early withdrawals would usually be taxable as income.



Your Future. Our Business.

## Contact Us

With the Fortress family of RRSP products there's no reason to wait any longer. *Call Fortress today and let us help you secure your future.*

Call us today at:

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The Fortress Registered Retirement Savings Plan (RRSP) is offered through Fortress Insurance Company Ltd. a subsidiary of Fortress Fund Managers Ltd.

We strive to get the best return on your investments. Past performance is no guarantee of future results. The value of your account can fluctuate both up and down based on the performance of your investments. If you are in any doubt about these investments you should consult your bank manager, an attorney, accountant or other financial advisor.