

# RBC® Group Advantage Plan Overview



## Covenant Health

**Covenant Health** encourages all employees to prepare for their long-term financial wellness. To help you save for retirement, **Covenant Health** has established a Group Retirement & Savings plan through the RBC Group Advantage program.

Your plan includes a Group Tax-Free Savings Account through the RBC Group Advantage™ program.

Below are the details of your plan:

## Group Tax-Free Savings Account (GTFSA) – Plan #18271

### How your plan works

Your GTFSA allows you to contribute directly from your pay, which makes saving convenient. While contributions are after-tax dollars, returns on investments are tax-free, even at withdrawal.

### Eligibility

As per contract

### Contributions

Contributions are per individually negotiated contract.

### Contribution Limits

There are annual contribution limits for TFSAs; you have one limit that applies to all TFSAs in your name. Unused contribution room from previous years can be carried forward indefinitely and any employer contributions count towards your limit. You can view your individual available contribution room by signing in to CRA's [MyAccount](#). For more details on your contribution limit, please see the GTFSA FAQs in your Member Plan Booklet.

## Tax Considerations

There is no tax deduction for contributing to a GTFSA. However, the returns your investments generate (interest, dividends or capital gains) are not taxable (except for any foreign tax on foreign investments). In addition, your withdrawals are tax-free.

It is your responsibility to ensure you are not exceeding your TFSA contribution limit. Both employer and employee contributions count towards your limit.

If you over contribute to your GTFSA, a penalty of 1% per month will be assessed by Canada Revenue Agency (CRA) on your excess contribution.

## GTFSA Investment options

Your employer has made it possible for you to access your investment options through RBC Royal Bank.

Your plan allows contributions to be allocated to as many as six different investments and you have the flexibility to change your investment options whenever you like. Visit the Your Investment Options brochure included in your Member Plan Booklet to learn more about the different types of investment options available.

An RBC advisor can meet with you one-on-one to provide advice tailored to your needs and help you build a well-diversified portfolio. To locate an advisor near you, please visit [maps.rbc.com](https://maps.rbc.com) or call 1-888-769-2566.

## Plan fees and charges

The investment funds which constitute your investment options are no-load funds, which means that you don't pay a commission when you buy or sell units in such funds.

Management fees and administrative expenses are charged directly to the investment funds. Please refer to the prospectus for the investment funds for more detailed information. Updated copies may be obtained from any RBC Royal Bank branch.

## Termination

In the event you terminate employment from the Company [or its affiliate(s)]:

- Your GRSP will be converted into an individual Registered Retirement Savings Plan (RRSP)
- The proceeds of your vested DPSP account will be dealt with as you elect (i.e., either transferred into an RRSP or paid in cash (subject to applicable withholding taxes).
- Your GTFSA will be converted to an individual Tax-Free Savings Account (GTFSA).
- Your GIA will be converted into a personal investment account.

Except with respect to the DPSP, no redemption of investments or transfer of assets will take place. Afterwards, you may elect to transfer the proceeds of your:

- RRSP to any other RRSP or to a registered retirement income fund (RRIF), or to receive them in cash (subject to applicable tax withholdings).
- TFSA to another TFSA, or to receive them in cash.

## Retirement

As you approach retirement, you will have the opportunity to meet with an RBC advisor to help you evaluate the various options available to generate the most tax-efficient plan that is in line with your situation today and your personal plans for the future.

## Administration

### Trustee

In its capacity as Trustee, The Royal Trust Company is responsible for ensuring that the Plan is administered in accordance with the *Income Tax Act* (Canada).

### Amendments

The company intends to continue the Plan indefinitely, but reserves the right to amend the Plan at any time with the concurrence of the Trustee.

### Legal document

This overview is intended for information purposes only, and the terms and conditions of any plan as may be set out in the official documentation take precedence. Copies of such documentation are on file with the Company's human resources department, and you may review them upon request. Possession of this overview does not mean that you are entitled to participate in any such plan.

## Additional Information about your plan

## Your Advice Team

Questions About Your Plan? Call our dedicated Member line at 1-888-769-2566.