Advance Notice

Submitted by Josh on October 27, 2014 - 10:33am

Process change for systematic withdrawals when a fund depletes

Empire Life wanted to let you know that going forward they are changing their business rules for systematic withdrawal plans (SWP) and Retirement Income Fund (RIF) payments when a fund is depleted and there is still value in the policy. This change is to provide consistency across their products and eliminate confusion.

Now all customers will receive their full payment when one fund depletes, as long as there is enough money in other funds in the policy. The balance of the SWP/RIF payment will be drawn from the fund with the highest market value. In some cases, customers may receive two payments on separate days that together equal the expected payment.

In addition to this, SWP and RIF payments will no longer be reduced or stopped when one fund depletes, as the fund allocation will continue to be taken from the fund with the highest market value.

They will be communicating this information in the weekly Insight newsletter next week.