

# EMBLEM PORTFOLIOS

5 reasons to recommend Empire Life Emblem Portfolios®



# DIVERSIFICATION WITHOUT COMPLICATION

Your clients are looking for **diversification**, not complication. They want exposure to asset classes based on their individual risk profile, goals and time horizon, while still knowing what they are invested in.

Empire Life Emblem Portfolios are a **simple**, straightforward investment **solution** that gives your clients everything they are looking for and more.

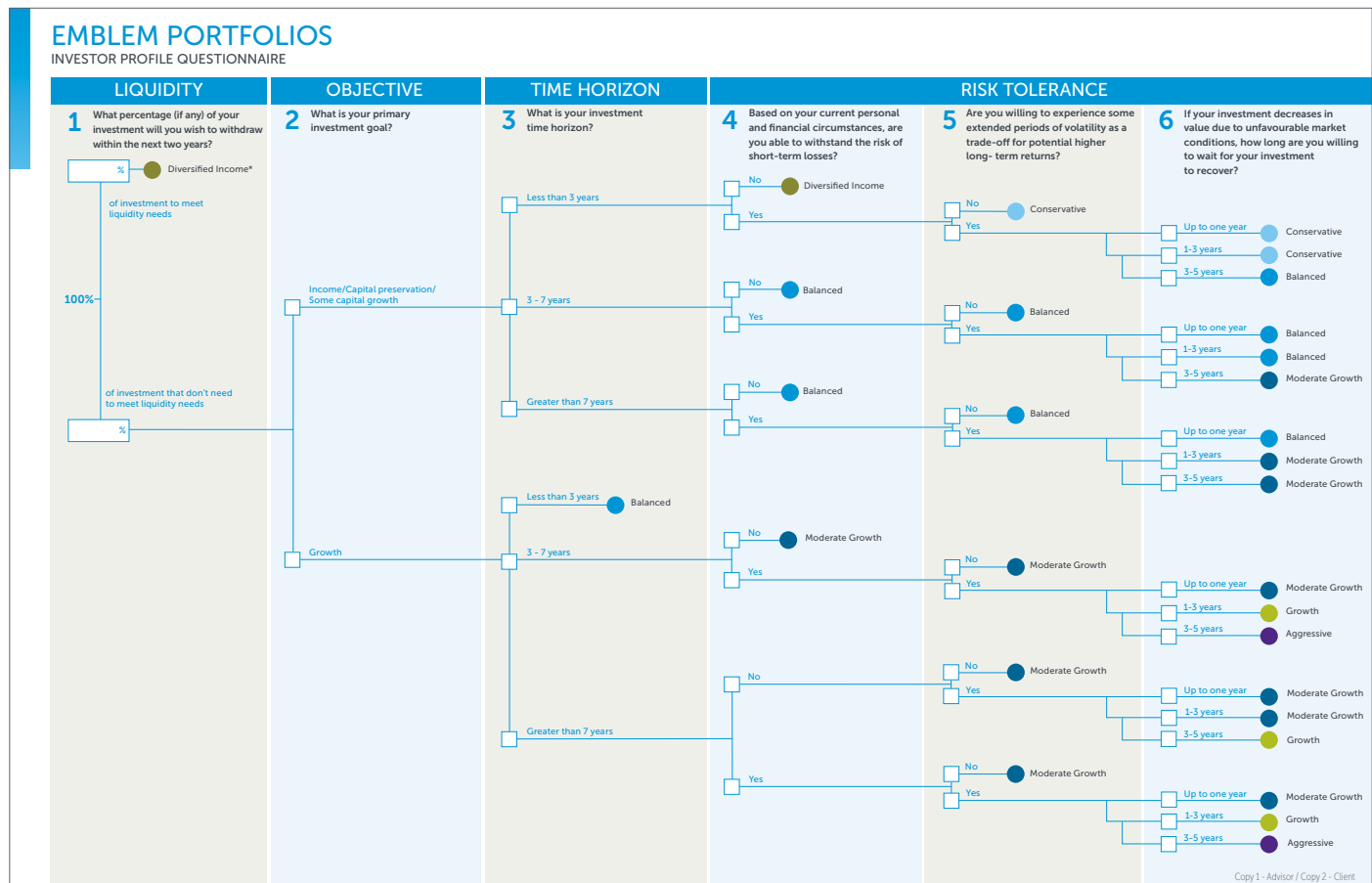
## 5 reasons to recommend Emblem Portfolios

1. An easy to use online questionnaire and investment policy statement helps you make a portfolio recommendation.
2. A range of portfolios offer instant diversification in one investment decision.
3. Concentrated, transparent portfolios invest directly in securities so clients always know what they're invested in.
4. Conservative, value-oriented and disciplined investment approach emphasizes downside protection.
5. Emblem Oversight Team monitors and adjusts portfolios in response to changing market conditions.

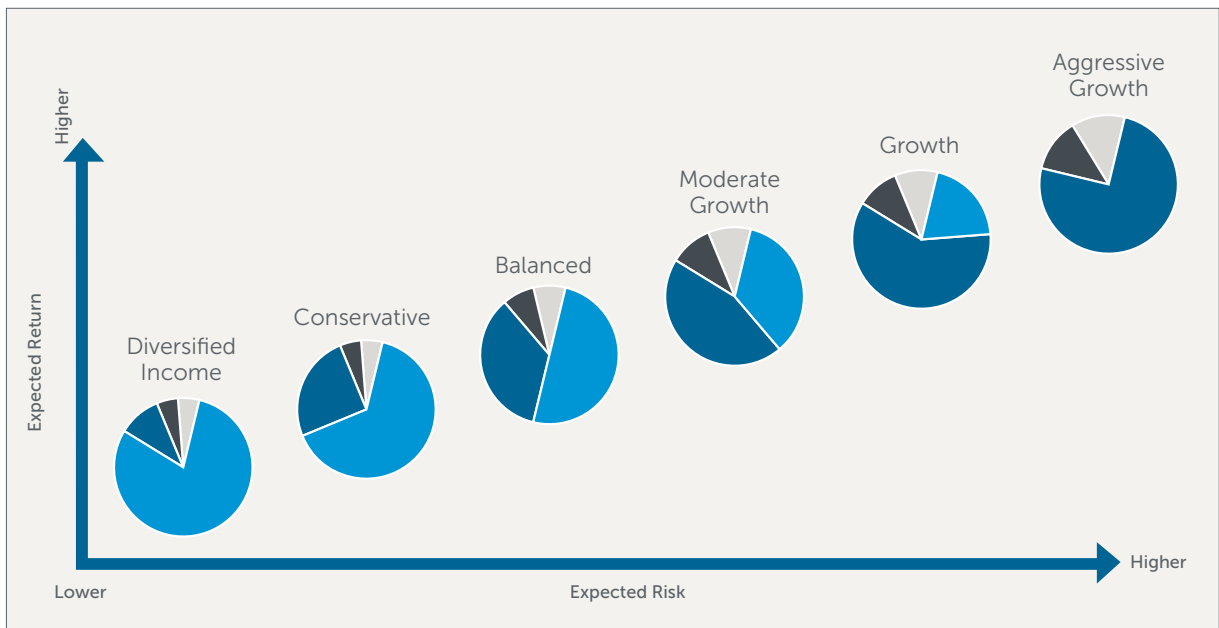
# 1 ONLINE QUESTIONNAIRE: CHOOSE THE RIGHT PORTFOLIO

The Emblem Portfolios investor profile questionnaire is **simple** for clients to use and understand, with six questions guiding them to a potential portfolio. It even provides the option of allocating part of their total investment to a portfolio more suitable for short-term liquidity needs.

Complete the questionnaire online and you can **automatically generate an Investment Policy Statement** for your client, clearly outlining their investment goals, suggested Emblem Portfolio information and how their money will be managed.



Your clients can choose from six Emblem Portfolios based on their individual time horizon, risk tolerance and investment goals. The portfolios are **diversified across multiple asset classes** – fixed income, Canadian equity, U.S. equity and international equity – and range from 80% fixed income to 100% equity.



Target Asset Mix	Diversified Income	Conservative	Balanced	Moderate Growth	Growth	Aggressive Growth
<b>Cash/Fixed Income</b>	80.0%	65.0%	50.0%	35.0%	20.0%	—
<b>Canadian Equities</b>	10.0%	25.0%	35.0%	45.0%	60.0%	75.0%
<b>U.S. Equities</b>	5.0%	5.0%	7.5%	10.0%	10.0%	12.5%
<b>International Equities</b>	5.0%	5.0%	7.5%	10.0%	10.0%	12.5%

## 2 DIVERSIFICATION AND CHOICE: RANGE OF PORTFOLIOS

# 3 TRANSPARENT, CONCENTRATED: NOT A FUND OF FUNDS

Unlike many other managed programs, Emblem Portfolios are not a fund of funds. Rather, each portfolio invests directly in securities to create the desired asset allocation for each risk/return profile. The portfolios are concentrated — typically holding 200 to 300 securities instead of thousands — representing the **highest conviction ideas** of our portfolio managers. There is no overlap or duplication in the underlying securities within each portfolio, which can occur in a fund of funds.

## Emblem Portfolios

EMBLEM MODERATE GROWTH PORTFOLIO As at May 31, 2018	
The Toronto-Dominion Bank	3.0%
Royal Bank of Canada	2.7%
The Bank of Nova Scotia	2.6%
Bank of Montreal	2.0%
Shaw Communications Inc.	1.8%
Alimentation Couche-Tard	1.8%
Keyera Corp.	1.8%
Brookfield Asset Management Inc.	1.8%
Canadian Government Bond 1.25% November 1, 2019	1.6%
Rogers Communications Inc.	1.6%

**200–300**  
Total securities

## Other fund wraps

ILLUSTRATIVE TOP 10 HOLDINGS	
Canadian Large Cap Mutual Fund	
Canadian Bond Mutual Fund	
Canadian Dividend Mutual Fund	
International Equity Mutual Fund	
Canadian Income Mutual Fund	
U.S. Large Cap Mutual Fund	
Canadian Fixed Income Mutual Fund	
Canadian Large Cap Mutual Fund	
Canadian Bond Mutual Fund	
Canadian Small Cap Mutual Fund	

**2000–3000**  
Total securities

# 4 INVESTMENT APPROACH: VALUE AND DISCIPLINE

At Empire Life Investments Inc., we believe the best way to build wealth is to follow a conservative, value-oriented and disciplined investment style, with an emphasis on providing downside protection during periods of market uncertainty.

The Empire Life Investments Team is made up of experienced professionals with specific expertise, skills and knowledge.

Our team-based approach is at the core of how we manage money. We believe sharing ideas leads to better investment decisions and ensures the continuity and stability of our funds and their performance. The team manages Canadian, U.S. and international equities, balanced and fixed-income investments.

## Investment Philosophy

We believe that we can outperform by focusing on attractively valued, high-quality businesses, with a focus on downside protection.

## Value

We employ a value oriented approach (rather than deep value) to facilitate proper diversification across industries and sectors in our portfolios.

## Quality

We seek quality businesses that can generate returns above their cost of capital through a cycle, and management teams with a track record of efficient capital allocation and a long term strategy.

## Downside Protection

We seek to avoid a permanent loss of capital by avoiding companies with too much debt, dishonest management, or those potentially facing bankruptcy.

# 5 EMBLEM OVERSIGHT TEAM: TACTICAL ASSET MANAGEMENT

The Emblem Oversight Team brings together a wealth of **investment management expertise** in core asset classes. We have the right experts at the table to get the asset allocation decision right and ensure proper and timely implementation of the decision. Monitoring the asset allocation of each portfolio involves two components: strategic asset allocation and tactical asset allocation. Each portfolio is constructed with a longer-term strategic asset mix that offers a balance between expected risk and return.

Tactical asset management makes the portfolios more nimble. When market conditions change, the Emblem Oversight Team has the **flexibility to modestly adjust the portfolios** to take advantage of shorter-term market opportunities. Asset allocation updates are published when tactical calls are made, to keep you and your clients informed of what is happening with the portfolios.



**Ian Hardacre, MBA, CFA**  
Senior Vice President &  
Chief Investment Officer



**Geoff Johnston, CFA**  
Senior Portfolio Manager



**Amber Sinha, MBA, CFA**  
Senior Portfolio Manager



**Diane Burke**  
Manager Equity Trading

**Scott Pountney, CFA, CAIA**  
Director,  
Investment Products

**Henry So, CFA**  
Senior Investment  
Product Manager



# PRODUCT SUMMARY

	Series A	Series T6	Series T8	Series F
Purchase Options	Available in FE, LL and DSC			N/A
Account Types	Client Name, Nominee Name and Intermediary Name			
Plan Types	Non-registered Savings Plan Tax-Free Savings Account (TFSA) Registered Savings Plans (RRSP, Spousal or Common-law partner RRSP, LIRA, LRSP) Registered Retirement Income Funds (RRIF, Spousal or Common-law partner RRIF, LIF, LRIF, PRIF, Restricted LIF <sup>1</sup> (Federal only))			
Minimum Initial Deposit	\$2,500			
Minimum Subsequent Investment	\$50			
Switches <sup>2</sup>	Yes, a short-term trading fee of up to 2% of the unit value may apply			
<b>Redemptions</b>				
LL 10% Free withdrawal limit	■	■	■	■
DSC 10% Free withdrawal limit	■	■	■	■

<sup>1</sup> Please enquire about availability

<sup>2</sup> Switching out of units within 90 days of purchase or switching into them may incur a short-term trading fee

## Sales Charges

	LL	DSC
<b>If you redeem Series A, T6 or T8 units</b>		
First Year	3.00%	6.00%
Second Year	2.50%	5.50%
Third Year	2.00%	5.00%
Fourth Year	Nil	4.50%
Fifth Year	Nil	4.00%
Sixth Year	Nil	3.00%
After Six Years	Nil	Nil

# EMBLEM PORTFOLIOS

EMBLEM PORTFOLIO	RISK RATING	MER <sup>1</sup>	FUND CODES									
			SERIES A			SERIES T6			SERIES T8			SERIES F
			FE	LL	DSC	FE	LL	DSC	FE	LL	DSC	
Emblem Diversified Income Portfolio	Low	1.91%	ELM 8001	ELM 8031	ELM 8071	ELM 8006	ELM 8036	ELM 8076	N/A	N/A	N/A	ELM 8003
Emblem Conservative Portfolio	Low	2.06%	ELM 8101	ELM 8131	ELM 8171	ELM 8106	ELM 8136	ELM 8176	N/A	N/A	N/A	ELM 8103
Emblem Balanced Portfolio	Low to medium	2.26%	ELM 8301	ELM 8331	ELM 8371	ELM 8306	ELM 8336	ELM 8376	ELM 8308	ELM 8338	ELM 8378	ELM 8303
Emblem Moderate Growth Portfolio	Low to medium	2.36%	ELM 8501	ELM 8531	ELM 8571	ELM 8506	ELM 8536	ELM 8576	ELM 8508	ELM 8538	ELM 8578	ELM 8503
Emblem Growth Portfolio	Low to medium	2.41%	ELM 8701	ELM 8731	ELM 8771	ELM 8706	ELM 8736	ELM 8776	ELM 8708	ELM 8738	ELM 8778	ELM 8703
Emblem Aggressive Growth Portfolio	Medium	2.56%	ELM 8901	ELM 8931	ELM 8971	ELM 8906	ELM 8936	ELM 8976	ELM 8908	ELM 8938	ELM 8978	ELM 8903

<sup>1</sup>MER of Series A portfolios as at December 31, 2017, subject to change

## Commissions and Trailers

	Commissions	Trailers		
		FE	LL	DSC
Emblem Diversified Income Portfolio	FE: negotiated, up to 5.00%	0.75%	0.375% for the first 3 years, 0.75% thereafter	0.375% for the first 6 years, 0.75% thereafter
Emblem Conservative Portfolio	LL: 2.50%, DSC: 5.00%	1.00%	0.50% for the first 3 years, 1.00% thereafter	0.50% for the first 6 years, 1.00% thereafter
Emblem Balanced Portfolio	FE: negotiated, up to 5.00%	1.10%	0.50% for the first 3 years, 1.10% thereafter	0.50% for the first 6 years, 1.10% thereafter
Emblem Moderate Growth Portfolio	LL: 2.50%, DSC: 5.00%	1.25%	0.50% for the first 3 years, 1.25% thereafter	0.50% for the first 6 years, 1.25% thereafter
Emblem Growth Portfolio	FE: negotiated, up to 5.00%	1.25%	0.50% for the first 3 years, 1.25% thereafter	0.50% for the first 6 years, 1.25% thereafter
Emblem Aggressive Growth Portfolio	LL: 2.50%, DSC: 5.00%	1.25%	0.50% for the first 3 years, 1.25% thereafter	0.50% for the first 6 years, 1.25% thereafter



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Empire Life Investments Inc. is the Manager of the Empire Life Emblem Portfolios and Empire Life Mutual Funds (the "Portfolios" or "Funds"). The units of the Portfolios and Funds are available only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such units.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Nothing contained herein shall constitute, or shall be deemed to constitute, investment advice or a recommendation to buy or sell a specific security, by the Portfolios, Funds or their manager, Empire Life Investments Inc.

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