

# Mutual Funds vs. Segregated Funds

Simple comparison for investors considering growth, protection, estate planning, and cost.

Feature	Mutual Funds	Segregated Funds
<b>Product type</b>	Investment product	Insurance contract with investment options
<b>Growth potential</b>	Yes, based on market performance	Yes, based on market performance
<b>Professional management</b>	Yes	Yes
<b>Market risk</b>	Yes. Values can rise or fall.	Yes. Values can rise or fall, even when guarantees apply at specific contract events.
<b>Maturity guarantee</b>	Generally no maturity guarantee	Often 75% or 100%, depending on the contract and holding period
<b>Death benefit guarantee</b>	Generally no death benefit guarantee	Often 75% or 100%, depending on the contract
<b>Beneficiary designation</b>	Generally limited outside registered plans	Yes. A named beneficiary can be used because it is an insurance contract.
<b>Estate planning advantage</b>	May form part of the estate	May bypass probate when a valid named beneficiary is used
<b>Potential creditor protection</b>	Generally no special insurance-based creditor protection	May be available in certain situations, depending on beneficiary designation and applicable law
<b>Fees</b>	Often lower	Often higher because of insurance features and guarantees
<b>Investor protection if firm fails</b>	Eligible accounts at CISO member firms may have CIPF protection for missing property, not market losses	Assuris protection may apply if a member life insurer fails, subject to Assuris limits

General information only. Product features, guarantees, fees, creditor protection, probate treatment, and tax/estate results vary by contract, account type, province, and personal situation. Review the fund facts, insurance contract, and applicable legal/tax advice before making a decision. Sources reviewed: CISO, CIPF, and Assuris public information.

Prepared for Gregory Shvartzman, Insurance Advisor - Insurance Solutions Services