Finance for Life™

Achieving Financial Success™

Finance for Life. Wealth for Living.™

CANFIN FINANCIAL GROUP

Investment Planning
Insurance Planning
Mortgage Planning

Tax Planning
Financial Planning
Estate Planning

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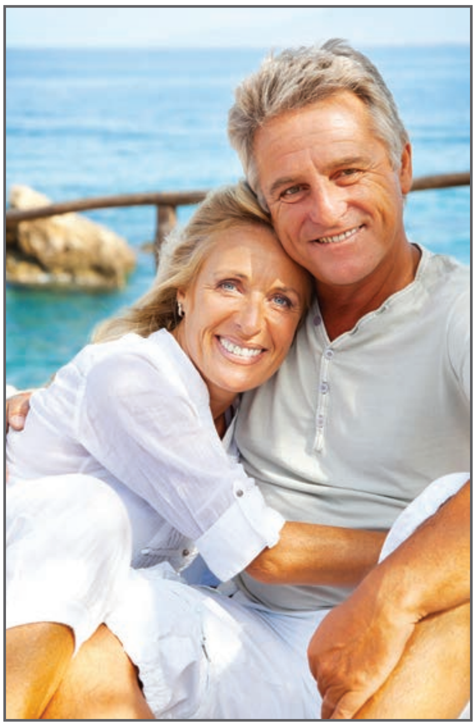
Mutual Funds, GICs & Fee for Service Financial Planning provided through CANFIN Magellan Investments Inc.
Insurance products provided through CANFIN Capital Group Inc.

Please do not hesitate to contact your advisor for a Confidential Financial Review.

RRSP and TFSA differences while you invest

TFSA contributions are not tax-deductible, but the contributions and the investment earnings are exempt from tax upon withdrawal. The TFSA offers the benefit of allowing after-tax investments to accrue without taxation. Tax assistance provided by a TFSA complements that provided through RRSPs.



• Unlike an RRSP the money you put into your TFSA cannot be deducted from your income on your tax return.
• Canadian residents, age 18 and older, can contribute annually to a TFSA.
• Similar to the RRSP, after you file your tax return each year, the government will determine your remaining available TFSA contribution limit for the coming year. Any unused contribution room gets carried over to the following year.
• You can have more than one TFSA insofar as you don't exceed your contribution limit.
• Those who expect taxation at a lower marginal tax rate in retirement may be better to contribute to an RRSP before a TFSA.
• There is no TFSA spousal plan as with RRSPs. Individuals can provide funds to their spouse or common-law partner to invest in their TFSA, up to the spouse's or common-law partner's available room, and the income earned on the contributed amount is generally not attributed back to the spouse or partner who provided the funds.
• The TFSA may also be a good investment if you are a member of a pension plan and have minimal if any, room to invest in your RRSP due to a high pension adjustment (PA) factor. More generous plans have a higher PA, leaving less room

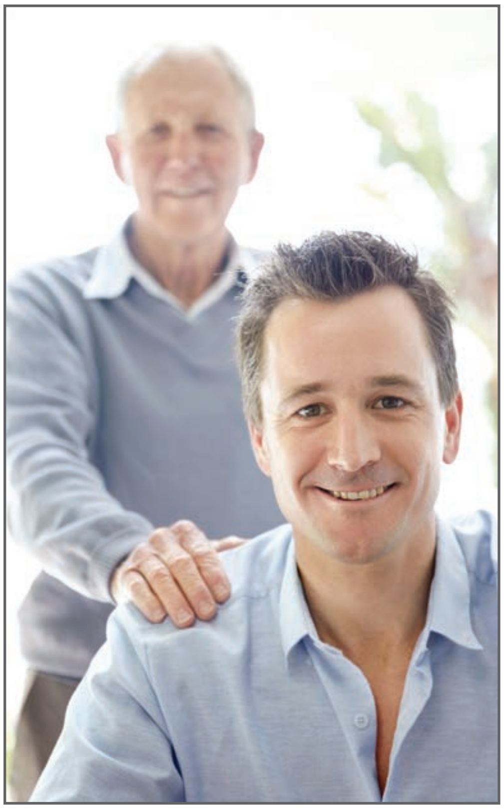
for personal RRSP contributions. You can supplement your retirement savings through the TFSA.

RRSP and TFSA differences while drawing Retirement Income

• Unlike an RRSP, which converts to a retirement income vehicle at age 71, a TFSA does not have any minimum withdrawal requirement
• Neither income earned within a TFSA nor withdrawals from it affect eligibility for federal income-tested benefits and credits, such as Old Age Security and the Guaranteed Income Supplement.
• For retirees with low income, every dollar withdrawn from an RRSP or RRIF will reduce the Guaranteed Income Supplement (GIS).
• Money taken out of your Tax-Free Savings Account is taken out tax-free.
• You get your contribution room back in the following year. The full amount of withdrawals can be put back into the TFSA in future years.

Life insurance protects your estate plan

The entire spectrum of insurance: Life, disability, critical illness and long-term care insurance policies are essential components of a good estate plan to protect your family's financial security.



An estate plan may benefit from using life insurance with named beneficiaries which can also be solutions to transfer capital tax-free to heirs outside of probate/EAT or scrutiny of creditors or heirs. For an estate plan seeking to transfer significant capital assets to named heirs, it would be wise to discuss these capital-transfer techniques with a licensed life insurance agent, accountant or tax lawyer.

If you are a business owner or shareholder, a preplanned buy-sell agreement in the event of a death or disability of any owner has estate benefits. Life insurance can redeem shares, buying out an owner. Critical Illness insurance can do the same in the event one owner becomes incapacitated. Disability insurance can replace an owner's income.

Long-Term Care: The truth about ageing

When considering Long-Term Care (LTC) coverage, discuss with your family the high cost of accommodation in a long-term care facility: up to $5,000 per month. Private home care service may run up to $100 per day for personal and nursing care. Can family members cope with providing the increasing care necessary and potential financial expense as we age?

• Long-term care expenses could easily total thousands of dollars per year.
• Provincial health insurance plans provide only limited coverage for long-term care.
• LTC insurance can fill the financial gap, and reduce the burden on loved ones while maintaining better control over your future.

With your financial advisor, determine how you will pay for these services:

• Use your savings or retirement income?
• Use what you have set aside as an inheritance for your loved ones?
• Use the equity in your home?
• Depend on your family?

Consider purchasing a Long-Term Care Insurance plan.