

Manulife Securities
 MANULIFE SECURITIES INCORPORATED
 MANULIFE SECURITIES INSURANCE INC.

FINANCIAL STRATEGIES FROM
KURT ROSENTRETER & BRANDON WHITBY
 CHARTERED ACCOUNTANT • INVESTMENT ADVISORS • INSURANCE AGENTS • ALL IN ONE

kurt.rosentreter@manulifesecurities.ca 416 628 5770 ext 230 brandon.whitby@manulifesecurities.ca

Financial Planning 2009

The start of a new year presents an excellent opportunity to revisit your financial house and make sure that all plans are in order. Here is a list of financial housekeeping considerations to review in January 2009. Contact us at the office if we can assist with any item.

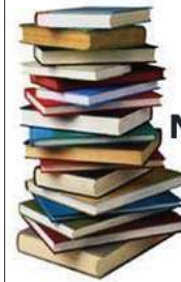


Parents

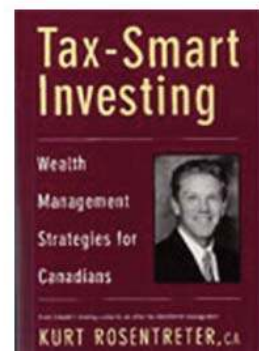
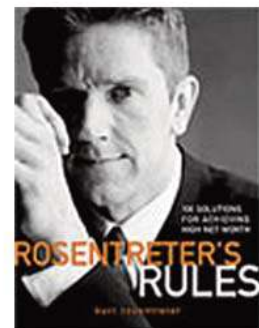
- Get an early start on your RESP savings for children by making the maximum annual recommended contribution of \$2,500 per child per year. Alternatively, set up a monthly automatic savings plan of \$216.67 per child right into the RESP.
- If you are pregnant or have recently had another child, contact us to revisit your levels of life insurance to ensure you are adequately covered for the needs of a larger family.
- If you bought a house using the Home Buyer's Plan, use any additional cash flow you have to pay off the entire balance owing as soon as possible – this is more financially smart than repaying over the permitted fifteen years.
- If you have been putting off getting your Will prepared, we can refer you to nice lawyers locally who will help to take care of this. Now that you have dependants, this should not be delayed.
- If you are down to one income because of maternity leave and finding cash flow tight, contact us to receive a budgeting tool that will help you to track expenditures and judge where to cut back temporarily. Do not resort to lines of credit over and over again, month after month to tide you over. Contact us for an objective outsider's opinion on your cash flows if you feel in dire straits.
- If your children are aged 16 or older, let us know what their post high school plans are so we can ready any RESP or other savings for their needs.

Working Canadians

- The RRSP limit for 2009 is now \$21,000 less any pension adjustment from a company savings plan. It is more tax smart if you contribute as much of this amount now as you can, instead of waiting until the end of the deadline next February 2010 – even if you must borrow money to do so.
- If you are still working on your 2008 RRSP contribution room, email us to learn what you have contributed so far in 2008. Compare this to your tax notice of assessment to determine what you still have to contribute against your limit. Feel free to send us your tax notice to examine it for you.
- Alternatively, set up a monthly savings plan of up to \$1,750 per month directly to your RRSP if this is easier on your pocketbook. Contact us in the office to send you the required paperwork.
- Keep three months income in a high interest savings account as an emergency fund. We can set up this investment account for you anytime.



**Kurt's
National
Best
Selling
Books**



- Revisit your disability insurance coverage through your employer to verify if it provides enough coverage to actually replace your income if you were unable to work. Consider a top-up policy to make up any shortages in coverage. Send us your employer booklet and we'll be happy to review the coverage for you.
- Let us know what your mortgage expiry date is and we will diarize it and then help you to shop rates ahead of the maturity. While you are at it, adjust your mortgage amortization to be a maximum of 20 years.
- Let us know what "big ticket" purchases are on your horizon in the next five years and we'll help you set up a monthly savings plan to start accumulating money for these short term goals. Using lines of credit are not the answer ever.
- Car leases are rarely the best option for option for obtaining a car – send us a copy of your car lease to assess if you have better options that will cost less.
- Struggling to find time to get to the gym or to yoga class? We'd be please to refer you to a personal trainer who can design a physical fitness program specialized for your busy schedule.
- Once a year, send us a copy of your employer's pension plan or group savings plan or company stock and stock option totals so we can review your investment holdings alongside your investment plan with us. We view all of your savings as one big plan overall. We hope you do too.

Retired Canadians

- Plan the timing of your RRSP or RRIF withdrawals now for the entire 2009. Examine your 2008 tax return to determine what level of income tax withholdings is appropriate.
- Put aside the cash in a high interest savings account for all of your 2009 income tax installments to be made March 15, June 15, September 15 and December 15. If you anticipate a significant change in income, contact us about how to revise your income tax installments accordingly.
- If you have not already, send us a copy of your Will and other estate documents for safekeeping and notify your children and spouse that we have them. If something happens to you, we can be an objective expert to assist the family in dealing with your financial affairs after you are gone.
- Review your planned 2009 preferred cash flow levels to determine if they are achievable in a recessionary world or whether you should cut back this year.
- Take advantage of the Federal Government's rule that will allow you to repay one quarter of your 2008 RRIF withdrawals to your RRIF and continue to defer tax on this amount. Contact us at the office for more information.
- Planning out of country travel? Let us help you examine how good your out of country travel insurance is – it could be a matter of financial ruin if coverage is too weak and a health crisis occurs.
- Explore the costs of personal care homes and home care that may be necessary in old age. We would be happy to explore the costs of such services and compare them to your resources to help you determine what you can afford.
- We strongly recommend that you pre-plan your funeral, including putting savings away to pay the cost. We can help you to explore several local providers of this service and talk to you about the savings plans designed specifically for such a purpose.
- What will you do with your real estate as you age? If this is an emerging issue for you in 2009, make sure you mention this during our next meeting with you! We'd be happy to help you to explore the issues and strategies for real estate.

Self Employed Canadians

- Plan your cash flow for 2009 by noting large payment amounts such as income tax installments and RRSP contributions. Set up a separate investment account and have 40% of your income automatically deposited each pay period to ensure proper payments are made.
- Set up a home filing system that keep proper track of your revenues and expenditures for ease of record keeping during tax season. Alternatively we can help you hire a bookkeeper to do this work for you.

- If your income has been rising, your disability insurance or critical illness insurance may be out of date. Send us copies of the policies and we'd be happy to provide you with a second opinion.
- Where do you have your health, dental and drug coverage from? Prices on these programs vary widely. If you send us a copy of the facts on your current coverages we can examine whether you can reduce costs or get better coverage for your current costs.

Adult Canadians

- Open a tax free savings account (TFSA) in January 2009 and deposit up to \$5,000 per adult to take advantage of these new tax smart savings plans. Continue to maximize your RRSP first, but use a TFSA ahead of all other savings. We can send you the proper forms to sign to get the accounts opened promptly.
- After the 2008 stock market correction, now is the time to revisit your investment plan. Contact us to schedule all of your 2009 investment planning meetings and to set a course for positioning you to prosper as we come out of recession in 2009 and 2010.
- Send us a copy of your income tax return for 2008 once you have it prepared in March or April 2009 and we will examine for additional tax planning opportunities. Send us the Income Tax Notice of Assessment when you get it in May 2009 so we can review your marginal tax bracket and the status of your filings including RRSP contribution room. Fax to us at 416 628 5771.
- Notify us of any extraordinary circumstances that happen to you such as losing your job, changing careers, marriage, divorce, births, deaths, moving away or other events. As your financial planner we stand ready to help you manage through all of these events. We'll also adapt your current financial plan to include these new situations.
- Purge all non-essential financial documents from 2008 and prior years. Keep only essential documents that you need for tax and legal purposes. Contact us at the office if you would like a binder to hold these materials in.
- In March 2008 organize your tax documents including slips, receipts and cost bases for securities sold in 2008 that will be necessary to complete your personal tax return. The filing deadline for your 2008 tax return is April 30, 2009.
- Do you have any old stock certificates or Canada Savings Bonds? Send them to our office and we can deposit them to your investment account at no cost. Keeping them at home can be an administrative burden when it comes time to sell.

This publication contains information in summary form, current as of the date of publication and is intended for general guidance only. It should not be regarded as comprehensive or a substitute for professional advice. Before taking any particular course of action, please contact your professional tax advisor to discuss these matters in the context of your particular circumstances. We accept no responsibility for any loss or damage occasioned by your reliance on information contained in this publication.

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.

The opinions expressed are those of the author and may not necessarily reflect those of Manulife Securities Incorporated and/or Manulife Securities Insurance Inc.

Manulife Securities and the block design are registered service marks and trade marks of The Manufacturers Life Insurance Company and are used by it and its affiliates including Manulife Securities Incorporated/Manulife Securities Insurance Inc.

Subject to any applicable death and maturity guarantee, any part of the premium or other amount that is allocated to a segregated fund is invested at the risk of the contract holder and may increase or decrease in value according to fluctuations in the market value of the assets in the segregated fund.

Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities declines.

Contact us to answer your questions, schedule a meeting, get a second opinion, refer a friend, order a book, receive a brochure on services and fees, create a financial plan and more. Manulife Securities Incorporated is a member of CIPF.

Kurt Rosentreter

*Senior Financial Advisor, Manulife Securities Incorporated
Certified Financial Planner, Manulife Securities Insurance Inc.*

Telephone: 416.628.5770, ext. 238

Email: kurt.rosentreter@manulifesecurities.ca

Brandon Whitby

*Senior Financial Advisor, Manulife Securities Incorporated
Certified Financial Planner, Manulife Securities Insurance Inc.*

Telephone: 416 628 5770, ext. 230

Email: brandon.whitby@manulifesecurities.ca