

Investment Insights

Happy New Year!!

I hate to say it, but my mom was right...the older I get, the more quickly each year passes. We'd like to take this opportunity to thank you for your business and for your continued trust in us. Here's to a happy, healthy, and prosperous 2008.

Retirement Transition

Let's face it, retirement is changing. Today's retirees have so much more to consider than collecting their gold watch and pension before heading off to a permanent long weekend. It's a whole transition – a series of events moving from full-time work into the next stage of life.

What does retirement look like for you? Are you ready for all of the changes that come with this next stage of life? Have you planned outside of your financial needs?

Our firm has recently created a helpful online tool. The ScotiaMcLeod Readiness Assessment Tool is designed to help you recognize and understand the factors that can influence your transition, and the steps that you can take in order to achieve your goals.

The tool automatically generates a personal "Transition Profile", which includes information on financial planning, work options, social network (friends & family), lifestyle and health, the timing of your exit from work, estate planning and housing. This may help to show you whether you are prepared, or if you have some work to do before officially calling it quits.

If there are any areas identified through your profile that you'd like to discuss, please call either myself or Jolene. We're happy to work with you to refine your plan and prepare a more detailed retirement analysis.

<http://readiness.scotiabank.com/scotiamcleod/>

We also have a printed 17-page Retirement Visualizer Workbook. If you're interested in receiving your FREE copy, please call us.

One last thing, how would you answer this true or false question that's included in the workbook:

*In a recent survey of Canadian retirees, when given the following statement, what was the answer: **The key to a successful retirement is having enough money to enjoy your life.***

True or False? You tell me...

Morgan



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The Last Word

The key to making money in stocks is not to get scared out of them.

- Peter Lynch

Jenna's Administrative Solutions

RRSPs ... fast facts for this year!

RRSP Season is fast approaching, and new regulations have increased the opportunities for using your RRSP to defer taxes on your income. Here are some key facts for the 2007 season:

1. **Deadline.** The deadline for making your 2007 RRSP contribution is February 29th, 2008.
2. **Contribution Limit.** The contribution limit for 2007 is 18% of earned income, to a maximum of \$19,000, less any adjustment.
3. **RRIF changes.** Beginning in 2007, the age at which you must collapse your RRSP went up to 71, from 69. If you turn 69 this year, you can continue to contribute to your RRSP this year and in each of the next two years.

Team accomplishments in 2007

Some congratulations are in order!

Jolene completed the Professional Financial Planning course, and successfully obtained the Fellow of the Canadian Securities Institute (FCSI) designation. The FCSI is one of the most demanding designations in the industry.

Morgan was named to ScotiaMcLeod's Executive Council. A feat achieved by only 63 advisors across the country! Executive Council is reserved for advisor's who are recognized as leaders among the company, and their peers.

Jenna completed both the Wealth Management Essentials and Wealth Management Techniques courses, and obtained the advanced title of Senior Associate.

8 Common Mistakes in Will & Estate Planning

1. Not having a Will or plan because you think estate planning is "only for the rich".
2. Making assets joint to avoid probate but not knowing that you exposed yourself to greater costs and risks.
3. Wanting beneficiaries to keep an asset, such as a vacation property, but not realizing that taxes and probate will still be owed upon your demise.
4. Having all of your assets joint with a spouse but leaving specific instructions in your Will for distribution. No assets move to your Will!
5. Allocating specific assets to beneficiaries with the intent of keeping the inheritance equal, but not realizing the different tax consequences on each.
6. Assuming the Executor will not collect a fee. They're able to collect up to 5% of your estate's value!
7. Having no Power of Attorney.
8. Using a Will Kit. Imagine the possibility of one pamphlet being able to provide advice for all of the different family dynamics of the 30 million people in Canada...

Need help? Want advice? Let us know. We have several resources within the Scotia Group, and are also happy to recommend a lawyer.

Important Upcoming Dates

January 2008

22 – Bank of Canada Interest Rate Announcement

29 – US Federal Reserve Announcement

February 2008

29 – Last day for RRSP Contributions

March 2008

18 – US Federal Reserve Announcement

April 2008

2 – Last day for tax slips to be mailed

30 – Deadline to file 2007 Income Taxes

Tax time is just around the corner...

Need an accountant? We'll be happy to provide you with the names of a few that we work with. Just let us know!

