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FINANCIAL SERVICES LTD.

Newslink December 2013

Submitted by Josh on December 10, 2013 - 9:50am

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Canada Life™

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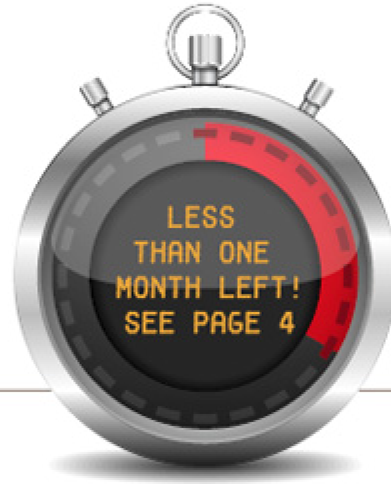

Accelerate wealth potential in retirement

Help clients top up unused RRSP contribution room with an RRSP loan

Over the last couple of years, the markets have been challenging for investors. Despite your encouragement about the benefits of investing in all markets, and the discipline of dollar-cost averaging, many have neglected their RRSP contributions – struggling to see value in a long-term approach.

According to Statistics Canada, the amount of unused RRSP room has skyrocketed from $307 billion in 2003 to more than $600 billion today.*

Consider the following examples of top-up loans. Not only can they provide a significant short-term tax benefit, but payments can also be very affordable.

RRSP loan amount	Amortization period (months)	Interest rate	Monthly payment	RRSP tax refund
$5,000	24	3.75%	$235.55	$1,900
$15,000	60	5.25%	$307.50	$5,700
$40,000	120	5.25%	$458.80	$15,200

Example assumes: Variable interest rate, equal payments, no deferred payments, 38 per cent tax bracket.

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Top five

REASONS FOR AN RRSP LOAN

1. **Helps clients focus on retirement goals**
2. **Perfect time to take advantage of a down market**
3. **Clients get a tax benefit**
4. **Cost is minimal**
5. **Can increase retirement savings**

RRSP loan application deadline for the 2013 tax year is Monday March 3, 2014

*Statistics Canada – CANSIM table 111-0040

Attachment	Size	Type
Canada Life Newslink - December (PDF)	1.42 MB	application/pdf