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# SAFE, PROTECTED AND GUARANTEED INVESTMENTS IN AN UNCERTAIN MARKET

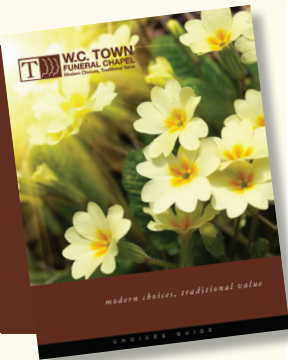
Investing in stable, guaranteed, and tax-saving investment products is always a formula for financial security in the future. Giving your family the peace of mind that comes from making a solid financial plan is equally as important. These are the benefits of investing in a pre-paid funeral fund.

Alex Lucas, Assistant Vice President of Product Development and Marketing at Manulife Bank, one of the largest providers of GIC's for pre-paid funeral funds, says "Pre-paying a funeral helps to ensure your loved ones don't have to worry about these expenses during an already difficult time. The money you set aside is shielded from market volatility and this program may even simplify your estate plan. This is why it is worth investigating despite a slow economy," he advises.

In Ontario, pre-paying for your funeral and signing a pre-paid contract with a licensed funeral establishment, guarantees the price of your funeral. The cost remains fixed at the amount you agreed to when you signed your contract. When entering a pre-paid agreement, your pre-payment earns interest which in turn offsets the rate of inflation. The interest earned is tax free for a funeral service amount of up to \$15,000 or \$20,000 for cemetery property. The investment is also highly liquid, as funds can be transferred or cancelled with your written request.

Continued on pg 4

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*Experience the difference a family-owned funeral home can make.*

W.C. Town Funeral Chapel  
110 Dundas Street East, Whitby

T 905-668-3410  
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## 8 THINGS YOU NEED TO KNOW ABOUT PRE-PLANNING

1. Your investment is protected.
2. Your investment earns interest which offsets the rate of inflation and any excess funds are returned to your estate.
3. Your investment grows tax-free up to an amount of \$15,000 for a funeral service.
4. Pre-paid funeral funds are monitored by the Board of Funeral Services.
5. The investments are also regulated by the Financial Services Commission of Ontario.
6. Funerals can be arranged without the obligation to pre-pay.
7. Pre-arranging for your funeral makes good financial good financial sense.
8. Pre-arranging will relieve your family of stress and confusion.



## MINIMIZING MORTGAGE COSTS

### Increase your payment amount

It may take some adjusting to work into your budget, but increasing your monthly payment amount can save you thousands of dollars in interest over the duration of your mortgage and reduce the life of your mortgage for several years. For example, suppose you have a 5- year fixed mortgage of \$250,000, your monthly payment is \$1,104.04 and you increase it to \$1,200.00, you will save about \$ 21,128.95 in interest and own your home 4 years earlier.\*

### Increase the frequency of your payments

While the most common payment plan is monthly, try making smaller payments more frequently. You could reduce the interest you pay and your principal more quickly. For example, if you broke your monthly payment of \$1,200.00 into accelerated bi-weekly payments of

\$600, you would own your home approximately 4.5 years earlier.\*

### Pay more when you can

If you chose a mortgage that lets you make contributions outside your regular payment date, taking advantage of it whenever you can offers considerable savings. Your contribution goes directly into towards your outstanding principal so your mortgage is immediately reduced by the full amount. Taking full advantage of opportunities to reduce your principal really maximizes a payment and is an effective way to reduce your mortgage. Consider reworking your budget to set aside funds for additional payments.

\* For illustration purposes only. Payment option scenarios assume a 5 year closed, fixed mortgage with a 30 year amortization. Actual rates will vary, which will affect your payment amount, your mortgage payout and the amount you could save.

- Alexandra Evans-Munoz  
<http://widowed.ca/minimizing-mortgage-costs/>

# Canada Pension Plan/Old Age Security Quarterly Report – Monthly Amounts and Related Figures from January to March 2013

## Canada Pension Plan (CPP) and Quebec Pension Plan (QPP)

Type of benefit	New benefits Maximum amount, 2013		Number of benefits October 2012		Amounts paid October 2012	
	CPP	QPP	CPP	QPP	CPP (in millions)	QPP (in millions)
Retirement (at age 65)	\$1,012.50	\$1,012.50	4,248,263	1,520,031	\$2,229.4	\$713.4
Post - Retirement Benefit (CPP) (at age 65)*	\$25.31		Not available		Not available	
Retirement Pension Supplement (QPP)**		\$19.42		272,432		\$4.6
Disability	\$1,212.90	\$1,212.87	329,790	70,583	\$277.5	\$65.9
Survivor – younger than 65	\$556.64	(see Note 1)	234,423	74,893	\$87.9	\$48.4
Survivor – 65 and older	\$607.50	\$607.50	822,164	282,814	\$251.5	\$86.4
Total – Survivor benefits			1,056,587	357,707	\$339.4	\$134.8
Children of disabled contributor	\$228.66	\$72.60	78,121	7,502	\$17.6	\$0.7
Children of deceased contributor	\$228.66	\$228.66	62,448	14,648	\$14.0	\$3.3
Death (maximum one-time payment)	\$2,500.00	\$2,500.00	11,930	3,513	\$27.0	\$8.7
<b>Total – CPP/QPP benefits</b>			<b>5,787,139</b>	<b>1,973,984</b>	<b>\$2,904.9</b>	<b>\$926.8</b>
<b>Combined benefits</b>						
• Survivor/retirement (retirement at 65)	\$1,012.50	\$1,012.50	744,128	233,064	\$556.7	\$157.1
• Survivor/disability	\$1,212.90	Not applicable	14,624	2,530	\$14.1	\$2.8
<b>Total – Combined benefits</b>			<b>758,752</b>	<b>235,594</b>	<b>\$570.8</b>	<b>\$159.9</b>

Source: <http://www.servicecanada.gc.ca/eng/isp/statistics/rates/pdf/janmar13.pdf>

# TAX TIPS FOR SENIORS

For many Canadians over 65 years of age, the tax season can seem overwhelming. It doesn't have to be, however. Cleo Hamel, a senior tax analyst at H&R Block Canada, offers tips for seniors who want to get the most from their 2011 tax return.

## Pension Income Splitting

Canadian residents can split up to half of their eligible pension income with their spouse or common-law partner. Income splitting allows some seniors to receive a substantial tax reduction. Tax software packages like H&R Block At Home will automatically determine the best income split to get the most tax savings.

## Benefit from Your Benefits

Seniors who receive Guaranteed Income Supplement (GIS) through Old Age Security should file on time to ensure their benefits continue without interruption.

## Split your CPP and Save

You may be able to split part of your CPP retirement benefits with your spouse depending on how long you have lived together when you were contributing to the plan. This is an advantage if one senior is in a higher tax bracket than the other.

Remember though, you must apply to Human Resources & Social Development Canada using Form ISP-1002. It can't be done on your tax return.

Source: <http://www.newscanada.com/print-mar-tax-timequick-tips-for-seniors-71642>

# INVESTMENTS Continued from Page 1

Funeral establishments in Ontario are required, by law, to deposit any pre-paid funds received into trust. The funding is very closely regulated for the protection and safety of your investment. The funds may only be deposited into an interest producing account, used to purchase a Guaranteed Investment Certificate (GIC), or purchase an Insurance Policy or Annuity.

“All these different products that are used to fund pre-arrangements are safe, fully guaranteed, regulated by the Provincial government and monitored by the Board of Funeral Services,” says Michael Lodge of W.C. Town Funeral Home in Whitby.

“Pre-paid funds are deposited specifically in your name and are protected and guaranteed by Government backed organizations such as CDIC (federal) or DICO (provincial) or an insurance industry funded organization known as Assuris,” says Lodge.

Ontarians are increasingly realizing the value of pre-arranging their final wishes. In 2010, of the 88,868 people who died in Ontario, about 24 per cent\* of their commemorative services were pre-paid; a trend that is increasing every year.

Even with a slow economic environment, pre-paying for one’s funeral defies the current advice to be reluctant about new investments.

The stability of the investment, the consistent rate of return, the tax savings and the fixed funeral costs all make it an investment worthy of consideration.

**The money  
you set aside  
is shielded from  
market volatility**



W.C. Town Funeral Chapel offers your family all of the modern amenities you want together with the timeless values of trust, caring service and commitment to the community.



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If you would like further information on funeral planning and a free Choices Guide, please call 416-745-7555, or detach and return this form to the address below.

W.C. Town Funeral Chapel 110 Dundas Street East, Whitby, ON L1N 2H7

Name: \_\_\_\_\_ Title: (Check One)  Mr.  Mrs.  Ms.

Home Address: \_\_\_\_\_

Unit No. \_\_\_\_\_ City: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Best time to call: Between \_\_\_\_\_ am \_\_\_\_\_ pm

Email Address: \_\_\_\_\_