

Update



Independent INVESTMENT Solutions
Independent INSURANCE Solutions Inc.

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Mortgage insurance: The right coverage?

While many Canadians insure their mortgages through a policy from the lender, there are, in fact, lots of reasons to cover it through a regular life insurance policy.

Life insurance premiums don't fluctuate and the policy can't be cancelled as long as the premiums are paid. Not so with lenders' insurance. And with life insurance, you can often get discounts for lifestyle choices (e.g., smoker vs. non-smoker). With lenders' insurance, everybody pays the same.

Mortgage; \$500,000	Life insurance	Lender insurance
Male, 35, non-smoker	\$500	\$840
Male, 40, non-smoker	\$710	\$1,260
Female, 35, non-smoker	\$365	\$840
Female, 40, non-smoker	\$500	\$1,260

*estimates

Covering your mortgage through life insurance is good value, too.

One of the biggest benefits is that with life insurance, when you purchase a new home or change mortgage companies, nothing changes. With lender's insurance, you must re-qualify—at an older age, of course—each time something changes.

Need more reasons to consider life insurance? Contact George to learn more.

Speaking of mortgages...

Your mortgage statement likely arrived recently (or it will soon). Please take a moment to ensure we get a copy. Our goal is to provide a sound financial plan for you and to do that, it is important we see both sides of the ledger.

More importantly, it allows us to ensure you have proper coverage. We also want to make sure you are reaping the benefits of the low rates we are seeing these days.



Wise words

“The avoidance of taxes is the only intellectual pursuit that carries any reward.”

JOHN MAYNARD KEYNES
ECONOMIST

2009 Budget highlights

Recently, we sent you a copy of the highlights from the 2009 federal budget.

The biggest news with the budget is that tax brackets were changed and that is definitely good news to most.

- The basic tax deduction was \$9,600. It will be \$10,320.
- The first tax bracket (15 percent federally) will be \$40,726, up from \$37,885.
- The second tax bracket (22 percent federally) will be \$81,452, up from \$75,769.

There is also good news for homebuyers and those looking to renovate.

We encourage you to review the document we sent you carefully and if you have any questions, please give us a call.

TFSA? Yes, ASAP!

Who should open a new Tax-Free Savings Account (TFSA)? EVERYONE over the age of 18! Once open, you can contribute up to \$5,000 annually and all withdrawals and investment income earned are tax-free.

Having said that, it should be noted that not all TFSAs are the same. From conservative, high-interest savings accounts to growth-oriented equity funds, the choice is endless.

Need some advice? Give us a call.

John + George

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