

More in-depth educator-specific financial tips, articles and resources are available at [educatorsfinancialgroup.ca](http://educatorsfinancialgroup.ca)

## FINANCIAL LITERACY

### Let us help with the teaching this year!

New school year, new students, and new questions: welcome back to another super-busy year! With financial literacy being part of the education curriculum, we've got good news for you.

Enhance your financial literacy – and that of your students - with these valuable resources from Educators Financial Group:

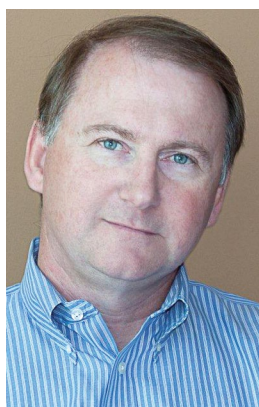
1. **Financial Literacy for Students**, an interactive, in-class workshop to teach Grade 11 and 12 students the importance of building a solid credit rating. (Last year's students thought this was great!)
2. **Credit Score 101 for Education Members**, a group learning session delivered by an Educators financial specialist.
3. **The Learning Centre, now enhanced on our new website**, aims at building your financial know-how. Visit this great resource: [educatorsfinancialgroup.ca/the-learning-centre](http://educatorsfinancialgroup.ca/the-learning-centre).
4. **Financial Kickstart Challenge**, an easy questionnaire that will quickly help assess your financial health, then we'll help get you where you want to go. Get started today: [educatorskickstart.ca](http://educatorskickstart.ca).

It's not surprising that we're focused on financial literacy this way. Educators has always been committed to providing the financial information our clients need to meet their goals throughout their lives. For education members, that includes issues like how to create an emergency fund in case of a salary disruption...saving up for a 4 over 5... and helping you understand if your pension will cover the long retirement you want.

If you have questions, call us at **1.800.263.9541** and let's talk about it!

## CHUCK'S CORNER

### The right advice at the right time = priceless.



You probably know that companies that sell investments follow strict regulations. You may even have heard about the Client Relationship Model – “CRM2” – an initiative by the Canadian

Securities Administrators, affecting how we report clients' investment costs, performance, and content of their accounts. (No? Read about it in the Planning article, on the reverse.)

#### **Educators has always stood for clear, helpful information.**

Educators supports these amendments wholeheartedly, but it's not a new set of regulations and acronyms that drives us. Since the day we started, in order to provide education members with mortgages – mortgages that educators were denied elsewhere because they were considered part-time employees! – we've been committed to giving you the financial advice, and products you need.

#### **Work with an advisor who understands your needs.**

The Investment Funds Institute of Canada says people who use advisors accumulate more wealth, have better savings habits and are more confident of meeting their retirement

income needs. Doesn't it make sense that an advisor who understands the unique needs of the education community could be of even greater benefit? Whether you're starting a savings plan, maximizing your RESP contributions and government grants, topping up your RRSP contributions before year-end, or enhancing your financial literacy, talk to an expert who has helped other education members.

You deserve nothing less. Give us a call at **1.800.263.9541** today.

Sincerely,



Chuck Hamilton, *President and CEO*,  
Educators Financial Group

**Have questions or feedback? Email me at:**  
[chamilton@educatorsfinancialgroup.ca](mailto:chamilton@educatorsfinancialgroup.ca)



### The clearer the info, the easier to plan.

When Sir Francis Bacon first said, “Knowledge is power”, it’s a good bet he wasn’t talking about the stock market. After all, it was 1597. But today, the more knowledge you have about how your investments are performing, and what is affecting them, the more power you have to reach your investment goals...like that long retirement many educators enjoy. So any regulations designed to ensure clear, timely information about your investments can only be good news.

#### The clear information you need...

CRM2 includes new rules for what financial institutions must disclose about the fees and performance of investment accounts. It requires investment dealers to provide two new annual reports that will include:

1. charges and other compensation that shows, in dollars, what the dealer was paid for the products and services (advice and planning) it provided; and
2. an investment performance report that covers:
  - a) deposits into, and withdrawals from, the client’s account;
  - b) the change in value of the account; and
  - c) the percentage returns for the previous year as well as the previous three, five, and ten years, and since inception.

#### ...when you need it.

Getting reports regularly will mean you’re more likely to have the information you need when you need it. Canadians are most likely to get professional advice in key moments in their life, such as getting married, having a baby, or planning for retirement. But with these new reports, the information will be more readily available for all those other times like when you need to discuss saving for your 4 over 5, or how much retirement savings you’ll need.

According to Educators Certified Financial Planner Rob Bickerton, “ensuring your investments meet your needs requires an ongoing dialogue between you and your financial specialist.”



### Changes to your investment statement.

New industry regulations will result in a couple of changes. In January you will start receiving two new annual investment reports from Educators; one on annual investment performance, and another on charges and compensation. To be consistent with the new regulation to report 'money-weighted' rate of return (ROR) on the new annual reports, we’ve made the decision to report 'money-weighted' rate of return on your Educators quarterly investment statement.

#### What is the difference between ‘time-weighted’ and ‘money-weighted’ calculations?

The ‘time-weighted’ calculation method has been, until now, the more common method used. It provides the rate of return of an investment without taking into account the size or timing of contributions and withdrawals, and is more appropriate for assessing fund manager performance.

As of January 2017, the ‘money-weighted’ calculation method will now be used – which does include the size and timing of contributions and withdrawals, as well as the investment performance of the funds. Thus, periods in which more money is invested contribute more heavily to the overall return.

If you have questions about your statement, please contact us.

#### Did you know?

1. The Learning Centre ([educatorsfinancialgroup.ca/the-learning-centre](http://educatorsfinancialgroup.ca/the-learning-centre)) contains information about mutual funds, fees, performance, advice, planning, and much, much more.
2. We’ll also keep you up to date on changes through eNews (if you are not yet signed up, sign up today at [educatorsfinancialgroup.ca/enews](http://educatorsfinancialgroup.ca/enews)).



### Don’t get burned in a hot housing market.

These days, it seems like every other week there’s a new headline about how hot the housing market is, especially in the large urban centres.

According to Educators Agent-Regional Director, Adele Iozzo, “the good news is that if you do your homework, you can learn a few ways to increase your chances of scoring the home you want.”

#### Four tips from Adele:

1. **Set realistic and clear objectives.** It may take a while to find the right home at the right price, but getting frustrated can lead to making rushed - and rash - decisions. It’s a good idea to keep your objectives – and budget – in mind by writing them down on paper.
2. **Be able to act quickly, by getting a pre-approved mortgage.** If you’re in a competitive situation and you’re ready to close the deal, it may give you an advantage in the eyes of the buyers.
3. **Now’s not the time to low-ball.** If you offer less than asking price, your offer could be rejected quickly. The answer? Perhaps only look at those properties that are within your price range.
4. **You’re allowed to get personal.** It’s surprising how many home sellers are swayed by whether they like or relate to the person making the offer. (“Aw, they have kids who would love the backyard.”) Don’t be afraid to write a letter to the seller explaining why their home is the home of your dreams. It could make a difference.

There are other ways to get an advantage, as well. You can learn 4 more tips in our full-length article at [educatorsfinancialgroup.ca/learning-centre/home-buying-101-a-purchasers-guide-to-buying-in-a-sellers-market](http://educatorsfinancialgroup.ca/learning-centre/home-buying-101-a-purchasers-guide-to-buying-in-a-sellers-market).

Consolidating your high-interest debts into one low-rate secured line of credit (as low as 2.35%\*) can save you money. Go to: [educatorsfinancialgroup.ca/loc](http://educatorsfinancialgroup.ca/loc)

## Educators Financial Group

2225 Sheppard Avenue East, Suite 1105, Toronto, ON M2J 5C2

Tel. 416.752.6843 or 1.800.263.9541

[educatorsfinancialgroup.ca](http://educatorsfinancialgroup.ca)

Brokerage license 12185



\*For a limited-time, get a promotional rate of 2.35% on a secured line of credit rate for the first 90 days. After 90 days the rate then goes to 2.85%. Speak to an Agent-Regional Director for more details. Commissions, trailing commissions, management fees and expenses may all be associated with mutual funds. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. © 2016 Educators Financial Group