

DID YOU KNOW?

Circle December 31st on your calendar.

Between exams, report cards, holiday shopping, and celebrations, December is a busy month for the education community. *“Although you’re busy, you need to add one more important item to your ‘to do’ list”, says Shubam Bajaj, Senior Financial Advisor.* “Contributing to your Registered Education Savings Plan (RESP), First Home Savings Account (FHSA) and Tax-Free Savings Account (TFSA) by December 31st can help you maximize their financial benefits”.

First let’s discuss the RESP deadline. Technically, you can contribute to an RESP any time of the year. However, if you make the maximum contribution before the end of the year, you’ll maximize the amount of Canada

Education Savings Grant (CESG) you receive. The government chips in 20% of your annual contribution, which can add up to an extra \$500 a year per child (on yearly contributions of \$2,500), up to a lifetime maximum of \$7,200 per child.

Saving for your first home? If you open a FHSA before December 31st and contribute less than the maximum \$8,000, you can rollover the unused portion limit into next year. For example, if you deposit \$1,000 into your FHSA before the end of 2025, you would be able to contribute as much as \$15,000 in 2026. *“You need to remember the lifetime FHSA limit of \$40,000, and be careful not to over-contribute”, says Shubam.*

Your TFSA can receive contributions any time of year, since any unused contribution room carries forward to subsequent years. And while it’s always a good idea to contribute as early as possible each calendar year to your TFSA, the end of year also marks a great time to plan ahead or top up your TFSA if you have the room. The maximum annual TFSA contribution amount for 2025 is \$7,000 (with 2026’s amount still to be announced). Always check what available room you have before topping up. For more reasons why December 31st is important for your finances, read this article: www.educatorsfinancialgroup.ca/learning-centre/top-8-things-end-year-financial-list/

PETER'S PERSPECTIVE

It’s our 50th Anniversary...but we’re celebrating you!

Celebrating a 50th Anniversary is pretty special – that’s why it’s the “Golden” Anniversary. No organization (or relationship) lasts that long without a lot of hard work and commitment. And in the case of Educators Financial Group, it also takes great partners. Since 1975, we’ve partnered

with hard-working education members, wonderful staff, and dedicated clients to deliver financial solutions catered to their unique needs.

As part of Educators’ 50th Anniversary, we’re celebrating the education community across Ontario, with our Education Heroes Contest www.educatorsfinancialgroup.ca/50th-anniversary/. The contest is your chance to praise a teacher, coach, administrator, member of support staff, or someone else in the education community who has inspired you. From now until December 31st, send us your story of how your hero has displayed one or more of these qualities: Goodness (compassion and integrity), Courage and Bravery, Selflessness, Perseverance, Leadership, or Wisdom. The 50 best stories, and education heroes that demonstrate these qualities, will win \$500!*

We’re looking forward to your stories of inspiration. For 50 years we’ve had the privilege of working closely with the education community, and we’ve seen your dedication to the profession firsthand. It’s been our mission – and pleasure – to provide you and your families, with tailored financial advice, investing options, mortgages, and planning services. We look forward to 50 more years of trust, growth, and partnership.

Thank you for being part of our journey and I encourage you to take part in our 50th Anniversary Celebration by nominating your education hero in the Education Heroes Contest today.

Peter Van Meerbergen
President and CEO
Educators Financial Group





PLANNING

Update your financial plan before year end.

Whether you're using GPS or a paper fold-up version, without a map it's hard to reach your destination. A financial plan is like that map. It's a document you develop with the help of a financial professional that identifies your goals – be they saving for a 4 over 5, buying a home, or planning for retirement – and helps you manage your finances in order to achieve them.

Financial planning is not a one-time event. “Your financial plan should be reviewed if you have a significant life event – such as marriage, a baby, divorce, or a career change – or once a year”, says **Brad Thompson, CFP®**. “Year-end is a logical time for this review. For one thing, the past year is still fresh in your mind. For another, December 31st is an important deadline for many financial decisions.” For example, if you've had a baby, you may want to open a RESP (education savings plan) before December 31st (see “DID YOU KNOW” in this issue of INSIGHTS). Or you may need to make decisions that impact your 2025 tax return before year-end, such as maximizing charitable donations, or making an RRSP withdrawal.

An Educators Financial Group financial advisor can help you build or update your financial plan. In fact, Canadians who work with a financial professional are more likely to feel hopeful about their financial future (60% felt hopeful in 2025) than those who don't (48% in 2025).^{**}

Start your 2026 right financially. Call Educators today at **1.800.263.9541** for an appointment to discuss your financial plan before year-end.

Check out the CRA's list of what you can deduct on your 2025 tax return.

www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/deductions-credits-expenses.html



INVESTING

Recession... or no recession?

According to news headlines earlier this year, a recession – defined as two consecutive quarters of shrinking gross domestic product – was a sure thing in 2025. Now? It's less certain. A survey of 34 economists by Bloomberg News in May 2025 concluded that Canada was in the early stages of recession at that time, citing rising unemployment and a slowing housing market as evidence. At the same time, the Organization for Economic Development (OECD) forecasted weak growth and high unemployment, but no recession. Who's right?

“Due to the nature of economic indicators, the beginning of a recession can only be confirmed after it's already started”, says **Matthew Dang, CFP®**. “It's possible for an economy to be in a recession without investors knowing. We won't know who's right until Statistics Canada reports GDP numbers later this year”.

Whether or not a recession is confirmed, commentators agree that the outlook for the Canadian economy is less than positive, and that Canada was struggling economically before U.S. tariffs and trade uncertainty. Canadian consumers are expecting a downturn – respondents to a 2025 Bank of Canada survey expected their financial well-being to decline over the next 12 months.^{***}

How can investors weather a recession if it comes? “We all need to remember that it's normal for the economy to contract and expand”, says **Matthew**. “These cycles can be unsettling but it's important to avoid emotional investing and stay focused on long-term goals”.

For more information, you can read www.educatorsfinancialgroup.ca/learning-centre/investing-101-how-to-weather-storm-during-recession/ or talk to a financial advisor today.

Looking to cut costs? Start by assessing and revising your budget:
www.educatorsfinancialgroup.ca/budget-calculator/



BORROWING

How flexible is your mortgage ... REALLY?

It happens. Someone buys a home ... gets a mortgage ... but after a while circumstances change, and the mortgage no longer works for them. That's when people ask: “How flexible is my mortgage?”

“One common reason clients are looking for flexibility is cash flow issues. They either can't make their mortgage payments, or need more funds for other reasons”, says **Jessica Dadswell, Principal Broker**. We have several potential solutions to that situation.

If mortgage payments have become a challenge, it may make sense to refinance your mortgage and get a new one with different terms, costs and conditions. However, refinancing before the end of your term (or ‘breaking your mortgage’) will probably incur a penalty, and could mean a home appraisal, title search, title insurance and legal fees. Other options include a ‘blended mortgage’ which combines your existing mortgage rate with a new, current rate that is significantly lower.

Obtaining a Home Equity Line of Credit (HELOC), or placing a second mortgage behind your original mortgage, may also be an option to consider. It is secured against the value of your property, and you can access up to 80% of your home's value, but there could be limitations depending on the nature of the mortgage set up initially. It is important to speak with a Mortgage professional if you are considering this option.

If you need funds for whatever reason, you may be able to access them without refinancing your mortgage, by consolidating multiple high-interest debts into one monthly payment or tapping into your home's equity.

Whatever your mortgage needs are, our Mortgage Advisory Team has the expertise to help. Call us today at **1.800.263.9541**

Looking to save money on your mortgage? Discover these 3 important tips:
www.educatorsfinancialgroup.ca/3-mortgage-tips-save-time-money/

Educators Financial Group®

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^{*}www.educatorsfinancialgroup.ca/50th-anniversary/rules/ as the first legal source

^{**}www.fpcanada.ca/2025-financial-stress-index

^{***}www.moneysense.ca/news/is-canada-in-a-recession-2025/

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