

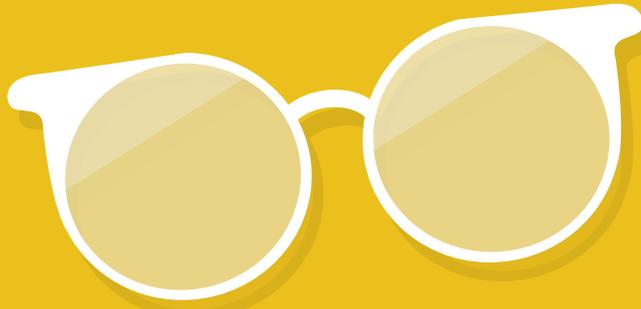
Saving for **RETIREMENT**

BROUGHT TO YOU BY



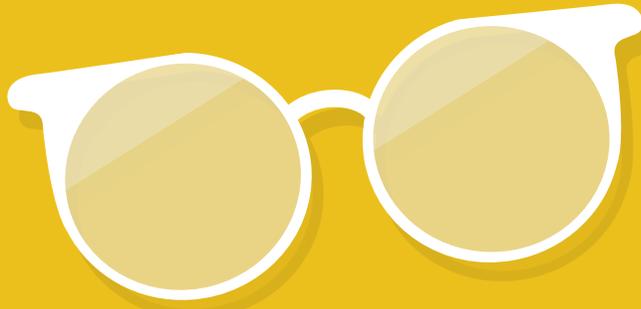
LUMINUS
FINANCIAL

- IT'S A -
MONEY
THING®



Someday you will be an
OLD PERSON





*Take a moment
and let that sink in*



Imagining

RETIREMENT

What do you want your retirement to look like?



A worldwide
adventure?



The simple
life?



Pursuing a
passion?



Moving to a
new city?



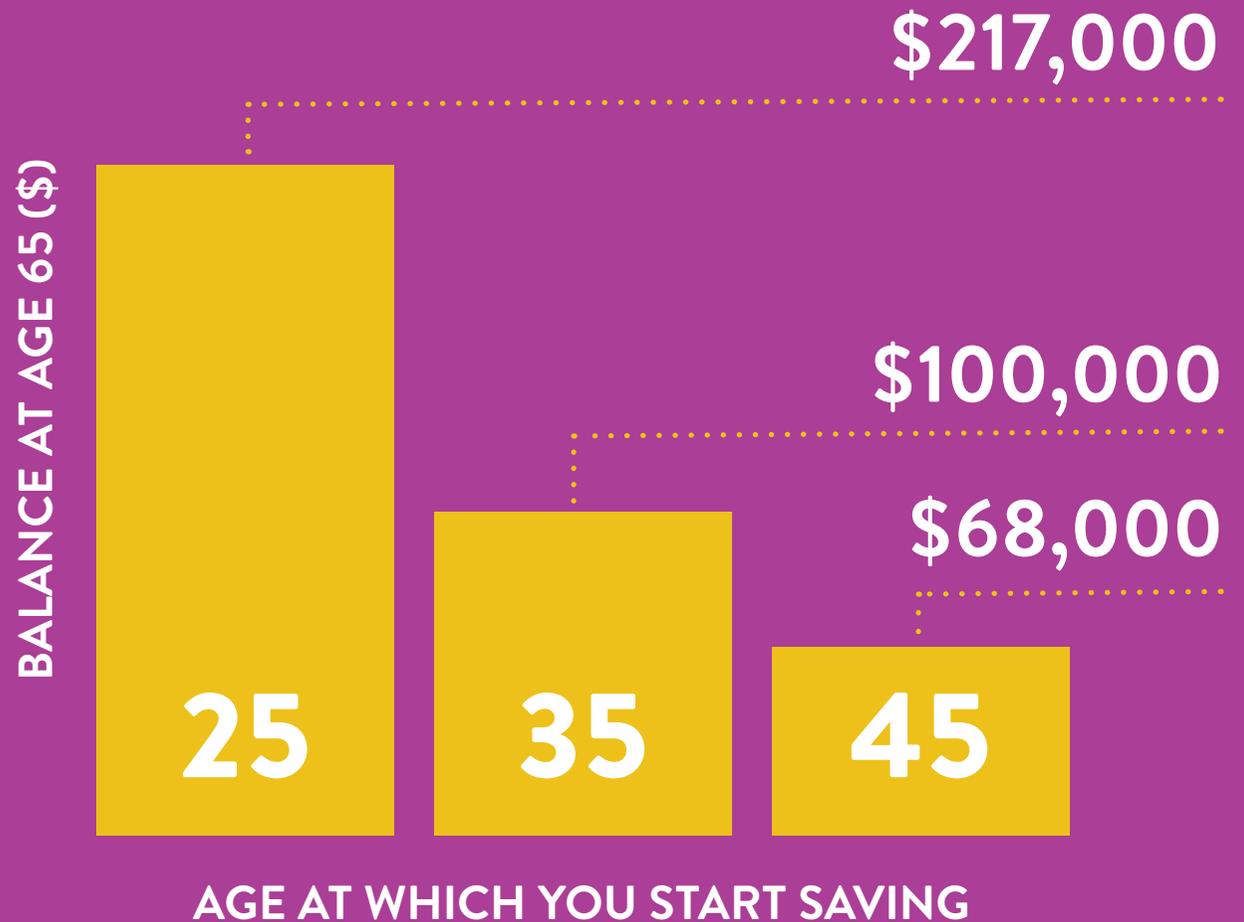
**Your retirement fund will likely be
your longest-term savings goal**

That makes it tricky to prioritize—
but it pays to start saving early!

Timing is

EVERYTHING

Let's say you put **\$10,000** in your **RRSP** and do nothing further until it's time to withdraw the balance at **age 65**



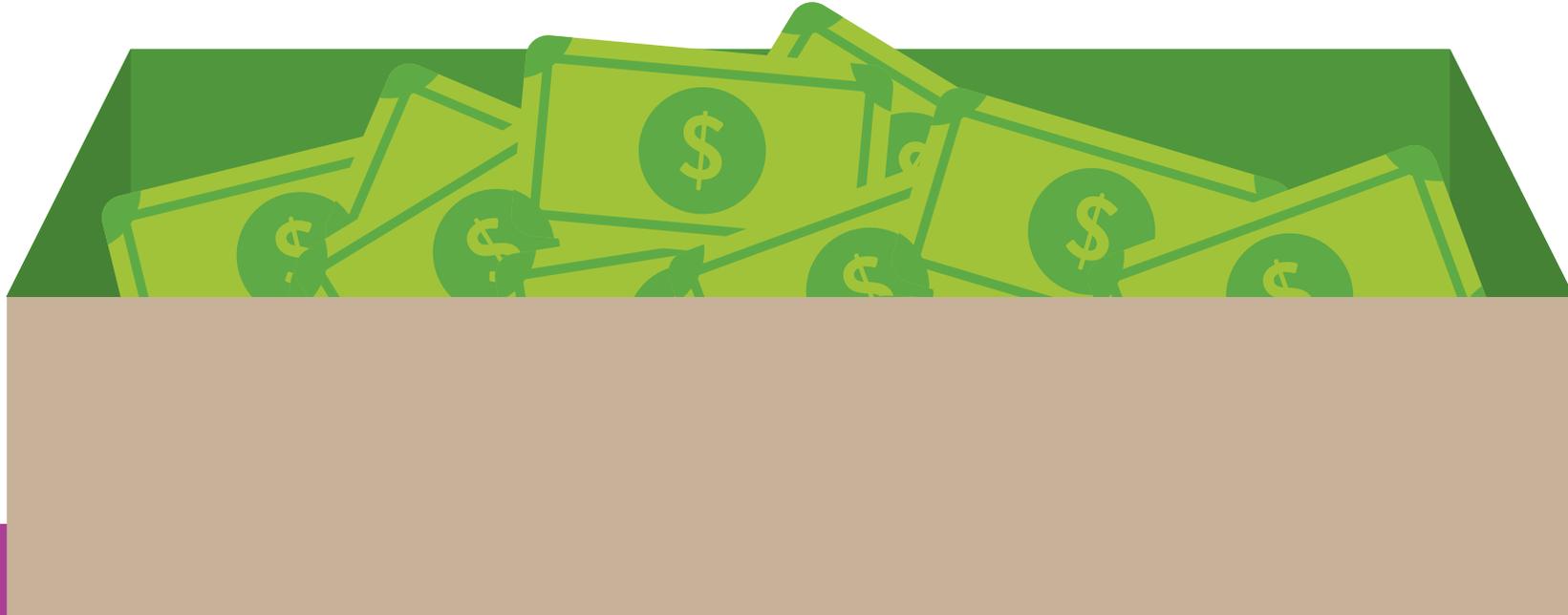
*based on an 8% average annual return

**The same investment can be worth a lot more
when given some extra time to grow**

Retirement

SAVINGS ACCOUNTS

Retirement savings accounts act like containers in which your various investments can grow tax-free



The most popular options include
RRSPs and **TFSA**s



COMPARING OPTIONS

RRSP

Set up at your financial institution—
RRSPs are registered by the
federal government

\$26,010 annual contribution limit

Contributions are made with
pre-tax dollars and may be
deducted from your income tax
for that year

TFSA

Set up at your financial institution

\$5,500 annual contribution limit

Contributions are made with
after-tax dollars and cannot be
deducted from your income tax

COMPARING OPTIONS

RRSP

Withdrawals of investment income and contributions are taxable

Early withdrawals are subject to an additional withholding tax

TFSA

There are no taxes on withdrawals of investment income and contributions

You can make withdrawals from your TFSA at any time

COMPARING OPTIONS

RRSP

RRSPs are basically a tax deferral program—they are specifically designed for retirement savings

You'll pay tax on your savings when you withdraw them in retirement—the idea is that you'll be in a lower marginal tax bracket in retirement than you are in your working years; however, this is not always the case

TFSA

TFSAs are not strictly for retirement savings—they can be used for any savings goal

TFSA's are flexible—unlike RRSPs, there are no age restrictions for making contributions or withdrawals; however, the TFSA's flexibility also makes it tempting to withdraw your savings early

STARTER PLAN

1

Take advantage of employer RRSP contribution-matching (if applicable)

2

Max out your TFSA contribution (be careful not to overcontribute)

3

If you have money left over, top up your RRSPs

Strategies for
SAVING

**In order for your money to grow,
you need to create the right environment**



**Eliminate
high-interest debt**
Paying down credit
cards (and other
high-interest debt)
should be your top
financial priority





Build an emergency fund

The last thing you need is an unexpected expense taking a bite out of your savings

Maximize your repayment plan

See if there's a smart way to consolidate or refinance your loans as a way of freeing up extra cash for savings





Start today

Time is on your side when it comes to retirement savings—even if you have to start small, start saving today

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Sources: Canada.ca, Investopedia, Money Sense, The Globe and Mail,
The Motley Fool, Time Inc.

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