

## Avoid the tax rush and optimize returns by investing regularly in your RSP

“For every disciplined effort there is a multiple reward.”

Jim Rohn

If you only do one thing by the end of the year, get the power of dollar-cost averaging working for your RSP. How? By making small, regular investments throughout the year using a pre-authorized chequing (PAC) plan: a disciplined investing approach which is good for you—and your RSP.

Already invest regularly? We’ve included ideas for you on page two...

### Perfect Timing Financial

- Pre-screened products
- Diverse supplier network
- Continual monitoring
- Tailored support as you grow

**Do you rush to contribute to your RSP at tax time?** If so, you could be missing out on the potential for substantial, compound growth over the long-term. Pre-authorized chequing (PAC) plans help you take advantage of dollar-cost averaging by contributing regularly and often regardless of market moves.

### Disciplined

A PAC plan imposes discipline. It also removes the temptation to time the market because no matter what happens, you invest the same amount each month.

In fact, **investing regularly works best in volatile markets.** This is because you buy more units when prices fall and fewer units when prices rise.

### Easy to manage

Once you’ve earmarked the money to come out of your bank account each

month, your RSP contributions become easy to manage. You won’t miss the small amounts that come out of your account. You also won’t miss having to set aside a lump sum every year during tax time.

### Flexible and convenient

When you use a PAC plan, you get financial advantages plus you retain flexibility:

- Easily change amount or frequency.
- Option to change your plan mix at any time.
- Top-up at any time.
- Monitor your RSP online.

### Tax efficient

At any age, RSP contributions are a smart way to invest. You always get the income tax deduction and your investment always compounds tax-deferred.

### Perfect Timing Financial

34 King Street East,  
Suite #1010  
Toronto, Ontario  
Canada M5C 2X8

416.861.9556

[service@paulshirer.com](mailto:service@paulshirer.com)  
[perfecttimingfinancial.com](http://perfecttimingfinancial.com)

### About Paul

Since 1990, Paul D. Shirer, President and CEO of Perfect Timing Financial, has excelled as a personal finance expert helping families simplify and allocate their personal resources. A passionate consumer advocate, Paul creates comprehensive, customized financial plans and provides independent advice on investments and insurance. Paul holds a B.Comm. in finance along with various industry licensing accreditations. As part of his commitment to excellence, Paul attends numerous industry seminars and conferences annually while promoting a strong focus on health and fitness. Paul has competitively completed five international marathons and a multitude of half-marathon, 10km, 8km and 5km running events.



Investing Regularly in your RSP

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More RSP set-up tips

- Investments can be as low as \$50 per month.
- Invest once or twice a month or quarterly—the more regularly the better.
- Review your Notice of Assessment for RSP limits.
- Work with your advisor to choose your investment mix.
- Name a beneficiary (saves probate fees if you die).
- Encourage your kids to start an RSP—they cannot start early enough.

What's on your mind?

- Should I keep investing the same amount at regular intervals, even when the market is volatile?
- Can I monitor my PAC plan online?
- Can I make any changes to the amount or frequency of my PAC plan without any costs?

(answer: yes)



How to set up a PAC plan

This year, get a monthly PAC plan working for you **before the tax rush**.

Here's how:

1. **Decide** how much you want to invest and how often. Ensure it's a comfortable amount—you can top up later.
2. **Select** an investment you're prepared to hold for 5 to 10 years or more.
3. **Contact** your advisor or provider to set up a PAC plan.
4. **Review** your choices annually.

*More RSP set-up tips* to the left.

Already contribute regularly?

Here are some ways to take your savings to the next level:

- Set up PAC deposits for your Tax Free Savings Account (TFSA).
- Consider a non-registered PAC plan.
- Use a spousal RSP to split your income.
- Have more than one RSP? Consider consolidating.

We'd be happy to help you decide the savings approach that's best for you. Send us a copy of your tax Notice of Assessment so we can help you maximize your RSP contribution limit.

About this newsletter

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