



ARCA
FINANCIAL GROUP

People who care, Plans that perform

Perspective



Traveling this winter? Travel every year? Here's a solution that may be a fit for you.

Manulife Financial now offers a multi-year long term travel medical insurance plan that has a \$5 million lifetime maximum and is guaranteed renewable every year until you reach the age of 80. This plan is the first of its kind in Canada. It is ideal for anyone who loves to travel and is concerned with financial and retirement planning.

When you're young, you often don't think about health issues. Once you reach the age of 50, health conditions are more likely to start appearing. The most common conditions can make you ineligible to purchase travel medical insurance or may carry a hefty premium for coverage. This is where Travel80 Term Travel Insurance works to your advantage.

The main features of Travel80 are:

- Emergency medical travel insurance
- For residents of Canada with provincial government health insurance
- 30-day multi-trip plan
- Multi-year plan, guaranteed renewable, year after year
- Premiums payable annually to age 80, when policy terminates
- Apply between 18 to 65 years of age, inclusive
- Individually underwritten, no family plans
- No deductibles
- Annual premiums based on age at receipt of application
- Guaranteed renewable
- Return of 50% premium if claim free for 10 years
- Top up coverage available for trips over 30 days
- Policyholder can cancel anytime

Covered Benefits

Up to lifetime maximum aggregate of \$5 million CDN for:

- | | |
|--|---------------------------------|
| 1. Hospital & physician bills | 7. Meals, hotel, phone calls |
| 2. Paramedical services | 8. Transportation to bedside |
| 3. Ground ambulance transportation | 9. Return of dependent children |
| 4. Dental treatment and relief of dental pain and accident | 10. Return of travel companion |
| 5. Return of deceased | 11. Vehicle return |
| 6. Medical evacuation home | 12. Terrorism coverage |

Advantages

- One policy that covers all trips
- No need to apply every year or before every trip
- Cover any number of 30-day trips (as long as you have provincial government health insurance)
- Coverage to age 80
- Guaranteed renewable, even if your health changes
- Locks in your age at application
- Returns 50% of premiums if claim free for 10 years
- Guaranteed eligibility for top-up

Buying Term Travel Insurance

- | | |
|--|--|
| 1. Buy young; benefit from lower premium age | 4. Buy before 46 years of age and answer basic medical questions |
| 2. Buy when healthy to ensure eligibility | 5. Buy as a gift for grandchildren/children |
| 3. Apply at any age, 18 to 65 | 6. Buy for grandchildren/children when they are young adults |

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Manulife Securities

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- 7. Buy as part of financial planning
- 8. Buy as part of retirement planning
- 9. Premium is eligible for a tax-credit
- 10. If you are claim free for 10 years, half of your premiums will be returned

Travel80 will not be a solution for everyone. Single and multi-trip plans are also available, and some plans allow you to apply for coverage up to 180 days before your trip. Contact your Arca advisor to find the right coverage for you.

*Contributor: Marshall Muldoon
Financial Advisor*

Tax and Estate Planning Corner

Little Known Facts about the Canada Pension Plan (CPP)

If you or your parents are nearing retirement you may be wondering about the CPP retirement pension. The CPP is designed to replace about 25% of your average pre-retirement employment earnings, up to a maximum amount. The maximum monthly CPP benefit for 2011 is \$960, and this benefit is adjusted annually for inflation. You need to apply for your CPP benefits through Service Canada.

You can start collecting CPP as early as age 60 or as late as age 70. If you start your CPP retirement pension before age 65, your pension amount is currently reduced by 0.5% for each month before age 65. From 2012 to 2016, the Government is gradually changing this early pension reduction to 0.6% per month. This means that by 2016, if you start receiving your CPP pension at age 60, your pension amount will be 36% less than it would have been if you had waited until age 65.

Your CPP retirement pension is increased for each month after age 65 (and up to age 70) that you delay receiving it. This late pension augmentation is gradually increasing from 0.5% per month to 0.7% per month from 2011 to 2013. This means that by 2013 if you start receiving your CPP pension at age 70, your pension amount will be 42% more than it would have been if you had taken it at age 65.

Another change that will occur in 2012, is that you do not have to stop working or have low earnings for two months in order to collect CPP between ages 60 and 65.

If you are currently working and receiving your CPP retirement pension, you and your employer do not have to make CPP contributions. However, beginning in 2012, if you are under age 65 and you work while receiving your CPP retirement pension, you and your employer will be required to make CPP contributions. These contributions will increase your CPP retirement benefits. For ages 65 to 70, you can either choose to make CPP contributions or you can elect out of making the contributions.

When Service Canada calculates your average earnings over your contributory period to determine your CPP retirement pension, 15% of your lowest earnings are automatically dropped (called the "general drop-out provision"). This means that up to 7 years of your lowest earnings are not included in the calculation of your average earnings. Starting in 2012, the percentage of low earnings will increase to 16%, allowing up to 7.5 years of your lowest earnings to be dropped from the calculation. In 2014, the percentage increases to 17%, allowing up to 8 years of your lowest earnings to be dropped.

For more information on the CPP or to obtain forms to estimate your CPP benefits or apply for CPP, visit Service Canada's website at www.servicecanada.gc.ca.

*Contributor: Christine Black B.Math, CA, CFP, TEP
Arca's Tax and Estate Planning Consultant*

Arca Family Announcements

It's a little girl for Chris and Lauren Osborne who welcomed their first baby, Iyla Laura-Lee on May 5th. Congratulations and best of health to the happy family!

Susanne von Heyking who is working in an advisory position, will also be taking on the role of Investment Associate for Bill Vollmer's team. Good Luck Susanne!

Group Benefits Fundamentals

What is a Health Care Spending Account (HCSA)?

A Health Care Spending Account (HCSA) is a health and dental benefit administration feature that can be part of a traditional or flexible benefits plan. It operates in a similar fashion to a bank account:

- An account is opened for each plan member with an HCSA;
- Each plan member's HCSA is credited with the HCSA balance he or she is eligible to receive; and
- Plan members use the HCSA balance to pay for eligible health and dental expenses that are not otherwise covered by their group benefits plan.

Plan members submit health and dental expenses against the account until the balance is zero or is no longer available for use.

HCSAs are an effective tool to assist plan sponsors in managing overall plan costs. With an HCSA a plan sponsor can:

- limit liability while increasing benefit flexibility;
- retain benefits at a predetermined level instead of providing additional coverage through their core plan; and
- help provide employees with greater satisfaction.

An HCSA has many benefits. Let us help to determine if it would be a fit for your company.

*Contributor: Marshall Muldoon
Financial Advisor*



Inside Arca

On **September 6th** we return to our regular office hours: **8:30am - 5:00pm**
Monday - Friday

Arca Holiday Gala

Please mark your calendars for our annual Holiday Gala on **Thursday, December 8, 2011**. We hope you will be able to join us! More details to follow.

Please note our office will be closed on:

Monday, October 10th – Thanksgiving Day

Tuesday, December 27th – Closed in lieu of Christmas Day

Monday, January 2nd – Closed in lieu of New Year's Day

Don't forget to 'fall back' and change your clocks back to Standard Time on Sunday, November 6, 2011 at 2:00am.

Community Business Profile

St. Jacobs Furniture House

St. Jacobs Furniture House opened its doors in 2007, showcasing "Ashley Furniture" and carrying the best selection of home decor, wall art, and accessories in the K-W region! In 2010, we were voted **Best Furniture Store** by "The Record" readers, and **Favourite Furniture Store** by "Waterloo Chronicle" readers. Thank you, Kitchener–Waterloo! The business has continued to grow every year, and in 2010 the *Guelph Furniture House* was also opened.

St. Jacobs Furniture House is proudly owned and operated by people from our community. Marshall and Stephanie Roth (owners/general manager), Byron Shantz, Amelia Shantz (owner/general manager at the Guelph location), Sheila Shantz, and our knowledgeable and experienced staff, are committed to providing you with a unique, enjoyable, and successful shopping experience!

The 17,000 square foot "House" in St. Jacobs, features over 100 room settings with a selection of casual, contemporary or traditional furniture. You'll discover well-crafted, well-priced pieces to suit any lifestyle from Ashley Furniture – the "Number 1" Furniture Brand in North America!

Our slogan is, "In Style. In Reach". We cater to any style you desire, at prices that are affordable to everyone. We believe that great style does not have to be expensive! If you have visited *St. Jacobs Furniture House*, we hope you'll come again. If you haven't been out to see us – give us a try for all of your home furniture and decor requirements. We're open 7 days a week, and offer delivery with set-up, or pick-up options from the warehouse location.



Both the Guelph and St Jacobs Furniture House locations are running their Anniversary "Salebration" sales at this time! Look for our weekly flyers at: www.furniturehouse.ca



St. Jacobs Furniture House: 30 Benjamin Road, Waterloo (across from the St Jacobs Outlet Mall)
Guelph Furniture House: 389 Woodlawn Rd. West, Guelph

In order to offer networking opportunities to our clients and business partners, we feature one business in each newsletter. If you would like your business to be profiled, please contact Rose Frim at (519) 745-8500 or by email at rfrim@arcafinancial.com.



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Allan Metcalfe
Associate



*People who care,
Plans that perform*

"Part of being a winner is knowing when enough is enough.

Sometimes you have to give up the fight and walk away, and move on to something that's more productive."

- Donald Trump

Regular Office Hours:

Monday to Friday
8:30 am to 5:00 pm.



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Lifestyle Tips

Healthy Hearts

"Food is medicine" is a quote made by Dr. Mimi Guarneri, a leading cardiologist in the USA. Years of experience have revealed to Dr. Guarneri how the detrimental effects of a poor diet and other risk factors have contributed to an escalating rate of heart disease. Dr. Guarneri is founder and Medical Director of *Scripps Center for Integrative Medicine* in San Diego, California. She emphasizes that healthy eating is the number 1 proactive choice people can make to substantially decrease their risks of heart disease. Healthy diets, such as the "Mediterranean" diet, which include plenty of fruits and vegetables, whole grains, olive oil, nuts, wine and fatty fish, help to decrease blood pressure and prevent strokes by as much as 50% - 60%! Eating fatty fish such as salmon, mackerel, sardines, tuna, and other omega 3 fatty fish, along with cutting out saturated and trans fats, have been shown to greatly benefit the heart. Making a few simple changes to our diets, gives us the opportunity to live healthier lives, longer.

Heart disease is viewed by doctors as a largely preventable disease. Their concern is highlighted in the *Heart and Stroke Foundation's* annual report this year aptly titled, "A Perfect Storm of Heart Disease Looming on our Horizon". Along with a healthy diet, being active and exercising for at least 30 minutes every day can do wonders for your heart, energy, weight, and even your confidence and self esteem. Many of our jobs are devoid of physical activity, and yet we often choose to spend our spare time playing computer games or watching TV. Choosing simple activities like walking the dog, cleaning the house, and grocery shopping, keep you moving. Taking a small step like parking the car a little further from your destination, goes a long way towards increasing the amount of exercise in your day.

Keep your weight and your waist in check. You can find out your BMI (Body Mass Index) just by typing "Standard BMI calculator" on your computer. It's calculated using your height and weight. If you carry most of your weight 'in your middle', you are at a higher risk of heart disease. Remember to reflect on the words from Dr. Mimi Guarneri, "Food is medicine". Be conscious of the food you put into your body. Just like your vehicle, your body gets you around day after day. If you consume the wrong fuel, an inferior fuel, or disregard the maintenance, your choices will directly affect performance and longevity. Unlike your vehicle – your body is meant to keep you running for a lifetime!

Taken from the *Heart and Stroke Foundation's* website, "Being smoke-free has enormous benefits for your health and the health of the people around you. More than 47,000 Canadians die prematurely each year due to tobacco use, and almost 8,000 non-smokers die each year from exposure to second-hand smoke. Once you become smoke-free and avoid exposure to second-hand smoke, you will immediately reduce your risk of heart attack and stroke. The sooner you become smoke-free, the sooner your body can start to recover." www.heartandstroke.ca.on

The Scripps Center for Integrative Medicine is a leading edge clinic, combining Western and Eastern methods of 'healing the heart'. Developing a better understanding of the body/mind connection, they utilize Western medicine with the practice of yoga, meditation and other Eastern methods that help reduce stress in our everyday lives and increase heart health. Dr. Guarneri is the author of the 2007 book, "The Heart Speaks".

*Contributor: Rosemary Frim
Executive Assistant/Reception*

If you would like to receive the newsletter by email rather than paper, please let us know by emailing inquiries@arcafinancial.com and stating 'newsletter by email' in the subject line. We can all do our part for the environment.

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