Private Client Services

TD Waterhouse
Wealth of Experience

Professional Portfolio Management

Capital Gains Planning & Investing Wisely

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Data as of June 30, 2008

Private Investment Counsel

Reducing the impact of Capital Gains

- ❑ Philanthropic Giving
- ❑ Using Insurance
- ❑ Construction of a Tax Efficient Portfolio

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Private Giving Foundation

- TD Waterhouse was the first financial institution in Canada to launch a donor advised fund
- Provides all benefits of your own private foundation without the complexities

The Private Giving Foundation is the first of its kind from a Canadian financial institution.

✓Tax receipt given for the FMV of the donated amount

✓Annually (first 10 yrs) you pick the charities to receive 5%

✓Year 11, can donate the balance or continue for perpetuity

TD Waterhouse Insurance Services Inc.

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Corporate Insured Annuity

Corporate Owned Annuity

The Business liquidates interest in investments to purchase an Annuity

The Business

Taxes

Income

Flows through CDA

Shareholder / Estate

Insurance Policy

Death Benefits are paid to The Business

TD Waterhouse Insurance Services Inc.

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Putting It All Together

Business Continuation	Business Succession	Personal Planning
Tax Minimization	Planned Succession	Retirement
Key Person Death	Death of Owner	Death
Key Person Disability	Disability of Owner	Disability

TD Waterhouse Insurance Services Inc.

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What is Discretionary Investment Management?

✓Construction of a customized portfolio that reflects an investor's

- Tolerance for risk and return objectives
- Investment horizon and need for liquidity
- Tax and legal position

✓Delegation of the day to day investment decisions of an investment portfolio to a professional Investment Counselor who operates within the parameters established by you, the client

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What To Look For In A Manager

- History and stability of organization
- A flexible, customizable investment solution
- Solid performance record
- Effective risk and cost control
- Portfolio Managers who deal with clients are well qualified, preferably with Chartered Financial Analyst (CFA) designation granted by the CFA Institute

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Who Uses Discretionary Investment Management?

Investors who…

✓Lack time, inclination or investment experience

✓Seek higher returns

✓Want peace of mind and to sleep well

✓Have earned, inherited or won considerable assets they want to preserve for themselves and beneficiaries

✓Have accumulated investable assets of $500,000 +

Managing Risk

- Investment management = **managing risk**, not avoiding it
- **Generate returns** by **taking appropriate risk** and avoid losses from uncontrolled risks
- Controlling risk requires
  - **strategies that prevent a single error from having a major negative impact**
  - **diversification, an appropriate time horizon and staying fully invested**

Market Returns - Compound Annual

	5 Year	10 Year	15 Year	30 Year
T-Bills	3.32%	3.79%	4.22%	7.66%
Cdn Bonds	5.48%	6.19%	7.50%	9.90%
Cdn Stocks	17.89%	8.86%	11.05%	11.98%
US Stocks	2.32%	-0.45%	7.81%	12.11%
Int'l Stocks	10.90%	2.47%	5.71%	10.75%

T-Bills – DEX 91 Day T-Bill Index, Cdn Bonds - DEX Bond Universe, Cdn Stocks – S&P/TSX Composite, U.S. Stocks - S&P 500, Int'l Stocks - MSCI EAFE

As of June 30, 2008

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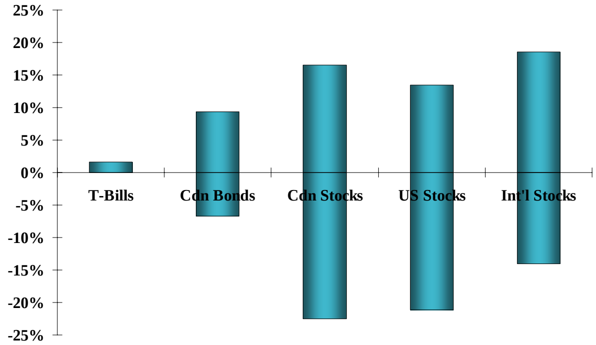
Range of Market Returns
January 1975- June 2008



T-Bills - SC 91 Day T-Bill Index, Cdn Bonds - SC Bond Universe, Cdn Stocks – S&P/TSX Composite, U.S. Stocks - S&P 500, Int'l Stocks - MSCI EAFE

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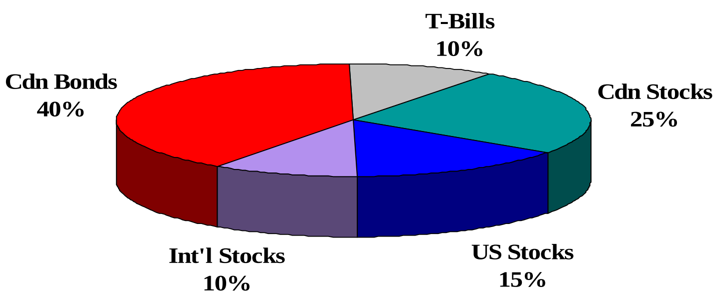
Balanced Portfolio



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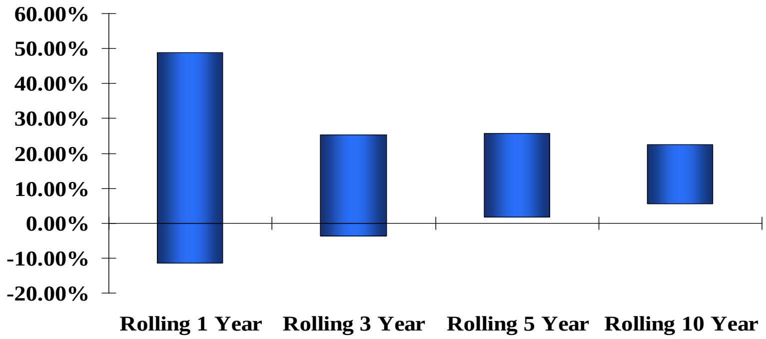
Balanced Portfolio - Range of Returns*
January 1975- June 2008



T-Bills - DEX 91 Day T-Bill Index, Cdn Bonds - DEX Bond Universe, Cdn Stocks – S&P/TSX Composite, U.S. Stocks - S&P 500, Int'l Stocks - MSCI EAFE
*Range of Holding Period Returns

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Conclusion

- Discretionary investment management is targeted to investors who have accumulated significant wealth and have a goal of not only preserving their capital but achieving tax efficient growth
- Professional investment management provides an objective, disciplined approach to achieving client investment objectives
- TD Waterhouse Private Investment Counsel is a leading discretionary investment management firm

For more information contact:

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