



Are you and your spouse on the same retirement wavelength?

A recent study carried out by TNS Canadian Facts on behalf of Scotiabank uncovered a startling “disconnect” between spouses regarding their retirement. In fact, almost 60% of couples are misaligned when it comes to their outlook on retirement.

About the study

The study looked at Canadian couples with at least one partner aged 50 or over and still working. Surprisingly, 10% of the men surveyed and 16% of the women said that they hadn't given much thought to retirement.

Less than one quarter (22%) of respondents reported that they had seriously discussed what their retirement life would be like with their spouse. Five per cent hadn't discussed it at all.

Differences of opinion

One of the main areas of differences was lifestyle, or how the couple would like to spend their time in retirement. For 30% of women (versus 20% of men) an active social life was a priority. Men, on the other hand, were more likely than women to say that they would be quite content spending most of their time with their spouse only.

There were also gender differences on how to improve their current financial position in preparation for retirement. Women were more likely than men to say that they would save more while men were more likely to seek higher returns.

Avoiding conflict

It's not unusual for spouses to have different interests and different priorities, in many aspects of life, not just retirement planning. But when these differences aren't communicated, there is a potential for conflict. By understanding one another's objectives, partners can create a retirement strategy that's effective for both of them.

Are you and your spouse on the same page when it comes to retirement planning? One of the best ways to find out is to come in, together, to any Scotiabank branch and get a Second Opinion. To learn more about Second Opinion, turn to Page 2.

He said, she said

Source: TNS Canadian Facts/Scotiabank Couples Retirement Study, September 2007.

Couples often have differing views on how they will spend their time in retirement:

	Men:	Women:
Spend time with friends/family	64%	74%
Volunteer/charitable activities	37%	54%
Work part-time	45%	34%

And differing financial priorities:

	Men:	Women:
Save more	34%	40%
Find investments that have higher returns	15%	15%

What exactly is Second Opinion?

If you haven't visited Scotiabank for a free Second Opinion yet, you may be curious to know how it works and what it can do for you. Here's the answer to both.

Are your investments right for you?

With Second Opinion, a *Scotia*® advisor will review your current investments to see if they're the best ones to help you reach your investment goals. For example:

- Your investments may be too risky for your comfort level.
- You may be holding multiple portfolios with conflicting strategies.
- You may not be taking full advantage of Retirement Savings Plans (RSPs) and other registered accounts.

The process

To determine whether you have the investments that are right for you, your *Scotia* advisor uses a proven, objective process.

1 Understand your goals

Before considering any investment, we need to know why you're investing. Is it to buy a home? For your children's education? For your retirement?

Then, we need to determine the "when." Are your goals long-term, short-term, or somewhere in between?

Finally, it's important to know how comfortable you are with risk – both emotionally and financially.

2 Assess your current portfolio

Your *Scotia* advisor has access to professional planning tools that will identify your investor profile and define an appropriate mix of secure investments, investments

that provide income, and growth-oriented investments.

Your advisor can then assess your existing asset mix to see how well it matches your target. This analysis may uncover gaps in your investing strategy.

3 Make changes when needed

If your portfolio isn't working as hard for you as it could, your *Scotia* advisor may recommend some improvements, such as:

- Professionally managed *Scotia* mutual funds including *Scotia* portfolios that can provide both income and long-term growth potential.
- Guaranteed Investment Certificates, to provide guaranteed income and principal protection.
- Systematic investment programs to accelerate your savings.
- Registered accounts (RSPs, RIFs, RESPs), where you benefit from tax-deferred, compound growth.

What are you waiting for?

With the wide range of investment choices and information available, it may be confusing to know whether you're making the right decisions.

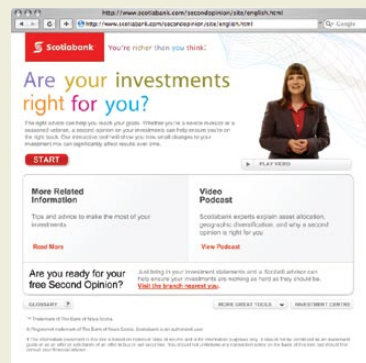
By getting a Second Opinion from a knowledgeable *Scotia* advisor, you can feel confident that the choices you've made are the right ones. And if they're not, your *Scotia* advisor can show you what changes to consider and explain why.

Helping you stay on track

The new Second Opinion microsite has a fun, interactive tool that shows how even small changes to your investment choices can make a big difference to results.

With the **Right Track Tool**, you enter in a starting investment amount, select an asset mix and level of foreign content, and see how you would have fared over the past 30 years. Adjust the asset mix and foreign content with the easy sliders, and see how performance would have changed.

To help ensure that you're on the right track, visit any Scotiabank branch for a Second Opinion on your investments.



RSP essentials

With the RSP deadline just around the corner, here's a quick reminder of some key dates and figures.

- **February 29, 2008:** The final day for making a contribution that you can deduct on your 2007 income tax return. The government allows a 60-day grace period after the end of the calendar year to make a RSP contribution. Because 2008 is a leap year, the deadline falls on February 29, not the usual March 1.
- **71:** The new RSP conversion deadline. You now have until the end of the year you turn 71 to convert your RSP to a Retirement Income Fund (RIF) or another income-producing option. You may also make RSP contributions in the calendar year in which you turn 71 provided you have sufficient RSP contribution room available. Prior to 2007, you had to convert your RSP by the end of the year you turned 69.
- **100%:** Foreign content is allowed. In a recent Scotiabank study,[†] one-third of investors thought there was a limit to the amount of foreign content their RSP could hold. In fact, the foreign content restriction was eliminated in the 2005 Federal Budget.
- **18% or \$19,000:** The two key figures that determine your maximum RSP contribution. For 2007, the most you can contribute is 18% of the income you earned in 2006 or \$19,000 – whichever is less. Note, however, that unused RSP contribution room carried forward from previous years is added to this amount, and any pension adjustments are subtracted.

[†] Scotiabank Foreign Content Awareness Study.

Coming soon, to your mailbox: Tax forms

It is not too early to start thinking about your personal tax situation. Use this handy checklist to highlight the tax forms and receipts you'll need to file for your 2007 personal income tax return* based on your personal situation.

Received ✓ or N/A	Form/Receipt	What it's for
	T4	Shows employment income paid to you in the current year. You'll receive these forms from your employer. Please note that if you have worked for more than one employer, you'll have more than one T4.
	T4A	Pension and retirement or annuity income paid to you.
	T4RSP/T4RIF	You'll receive these if you made withdrawals in 2007 from a registered plan (RSP or RIF).
	T4A (P) T4A(OAS)	Shows total Canada Pension Plan (CPP) and Old Age Security (OAS) benefits paid to you.
	T4E	If you received employment insurance benefits, you'll get this form from the government.
	T5 and/or T3	These slips report investment income you've earned (outside a registered plan), including interest, dividends, distributions of taxable capital gains, and payments from a limited partnership. Depending on your investment holdings, you may or may not receive both types of these forms.
	Receipts for RSP contributions	You may not receive these all at once. For example, for contributions made during the calendar year, Scotia issues receipts in January or early February. Contributions made in the first 60 days of 2008 will be issued by Scotia in March.
	Official receipts for donations to charity	These may be delivered to you when you made the donation, although many charities mail them in January or February for the previous year's donations.

* This list is not exhaustive but merely highlights some of the forms that most taxpayers receive. For guidance on your particular situation, you should consult a professional tax advisor.

New online calculator shows you've got what it takes to reach your goals

Sometimes, it can seem almost impossible to reach your financial goals. This is especially the case for larger goals that are a long way away – like saving for a trip, a car, a down payment for a home, or your retirement.

But a new calculator at scotiabank.com will help put your goals in perspective.

Watch your savings mount up

There are two components to the tool — one for retirement savings goals and one for other savings goals.

It's fun and easy to use. If you're saving for retirement, for example, simply use the online sliders to indicate:

- Your monthly contribution (e.g., \$200)
- Your rate of return (e.g., 8%)
- The age at which you'll start contributing (e.g., 25)
- The age that you plan to retire (e.g., 60)

The calculator shows how much you will potentially have at that retirement age based on those assumptions.

Try it yourself – it's easy! See what a big difference it can make when you start saving early or increase your regular monthly contributions.

For instance, if you start contributing \$200 a month to your RSP when you're 25 and earn 8% annually, you will

have \$431,481 by age 60. Wait until you're 35 to start saving, and you'll have just \$183,057. In other words, you can potentially have significantly more simply by starting early and contributing regularly.

Make it automatic

One of the easiest ways to make sure your savings stay on track is to set up a pre-authorized contribution (PAC). With a PAC, the amount of money you choose is automatically transferred from your bank account into your RSP or investment account on a regular basis.

Not only is a PAC convenient, but after a while you probably won't even notice that the money isn't there for you to spend. Meanwhile, your contributions will be busy earning compound returns to take you towards your savings goals.

Your *Scotia* advisor can set up a PAC for an amount that works within your budget to help you save for retirement or any other important financial goals.

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