To me, success is all about being in the process of joyfully creating a life that reflects your highest values, your deepest beliefs and your greatest dreams.

Robin Sharma
The Greatness Guide, Book 2
101 Lessons for Success and Happiness (93)

As always we welcome your comments questions and feedback ……………….

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BANWELL FINANCIAL INC.

Integrity Competence Service

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One of the many ongoing goals here at BFI is to provide information that we believe is useful, timely, and easy to understand. Although many of our operating procedures are regulatory driven, *we do try* and make it easy for clients to do business with us. We also strive to be accessible to a wide variety of client needs and work daily towards our motto of:

Integrity ***Competence*** ***Service***

In this issue we offer information on the following:

- **Tax Free Savings Account (TFSA) Limit to Rise**
- **Minimum RRIF Withdrawals to Change**
- **Diversification and the Average Investor** illustrates the returns of various asset classes annualized over the past twenty years. According to a Dalbar survey the average investor generated a 2.5% annualized return compared to an 8.7% average return for a 60/40% stock and bond portfolio over this same twenty year period… *interesting comparison on the speed of a portfolio recovery of all equities (S&P 500) vs. a balanced portfolio.*
- **Money Manager Profile:** The Ivy Team from Mackenzie Investments has demonstrated that by holding high-quality, market-dominating companies (but not overpaying for them), upside growth can be captured on the way up in a cycle, and losses can be limited on the way down.
- **Management Expense Ratio (MER):** The MER is the overall cost of running a professionally managed portfolio and has already been deducted from the posted returns illustrating investment performance.

Tax Free Savings Account (TFSA)

The TFSA was introduced in 2009 as a vehicle to accumulate savings on a tax exempt basis. Contributions to a TFSA are not tax deductible, although all income, gains and withdrawals from the TFSA are exempt.

When first introduced the annual contribution limit was $5,000. The 2015 budget has increased the annual contribution limit to $10,000 effective for 2015 and subsequent calendar years.

Clients who have yet to start a TFSA will have accumulated $41,000 of TFSA contribution room (assuming the client was age 18 in 2009 and meets other eligibility criteria).

TFSA's have been under- utilized by Canadians and many hold low, or no-interest savings. We believe a more accurate name is a Tax Free Investment Account and this strategy offers excellent potential for tax free income…

Minimum RIF Withdrawals to Change

Clients must convert their Registered Retirement Savings (RRSP) into a Registered Retirement Income Fund (RRIF) by the end of the year in which he or she attains the age of 71 years of age. A pre-determined minimum amount must be withdrawn annually from the RIF.
Existing and New Minimum Withdrawal RRIF Factors

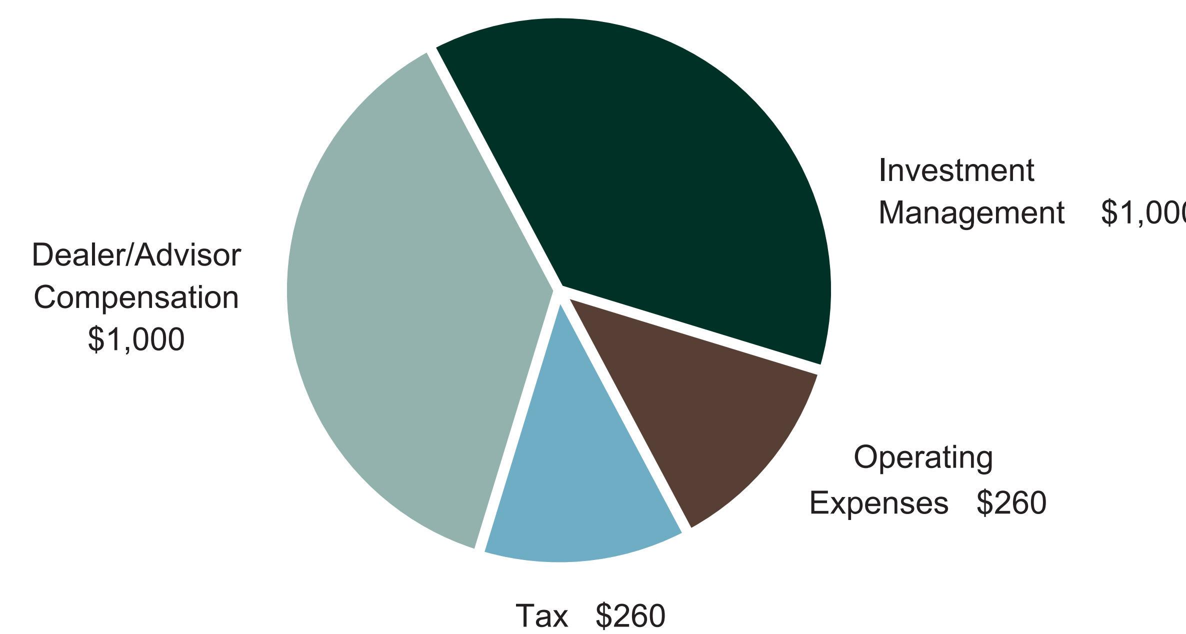
Age	Existing Factor	New Factor
71	7.38%	5.28%
72	7.48	5.4
73	7.59	5.53
74	7.71	5.67
75	7.85	5.82
76	7.99	5.98
77	8.15	6.17
78	8.33	6.36
79	8.53	6.58
80	8.75	6.82

These new RRIF factors will apply for the 2015 and subsequent taxation years.

Management Expense Ratio

Ivy Foreign Equity has a management expense ratio of 2.52%. On a hypothetical $100,000 portfolio this represents $2,520. The 7.9% annualized **NET** return generated by Ivy since inception already reflects this cost.

Private Wealth Management will reduce management expense ratios. Please call our office to discuss.



High quality actively managed portfolios will deviate from a benchmark to add value in both good markets and bad. Ivy is a good example of low risk, and long term net-of-fees performance. *Most investors are content to not experience the highest of the highs, but conversely do not want to experience the lowest of the lows…*

Management Expense Ratio (MER)

All professionally managed investment portfolios have costs associated with the day-to-day management of operating a fund. The Ivy money management team from Mackenzie as one example, has produced a 7.9% average **NET** annual return since inception (Oct. 92).

The 7.9% average annual return is a **NET** return to the client as the cost of managing the portfolio has already been deducted. Allow us to offer a breakdown of the costs that make up an MER.

Investment Management

- Investment research
- Strategy implementation
- Ongoing portfolio management/monitoring
- Governance and risk management

Investment Dealer and Advisor Compensation

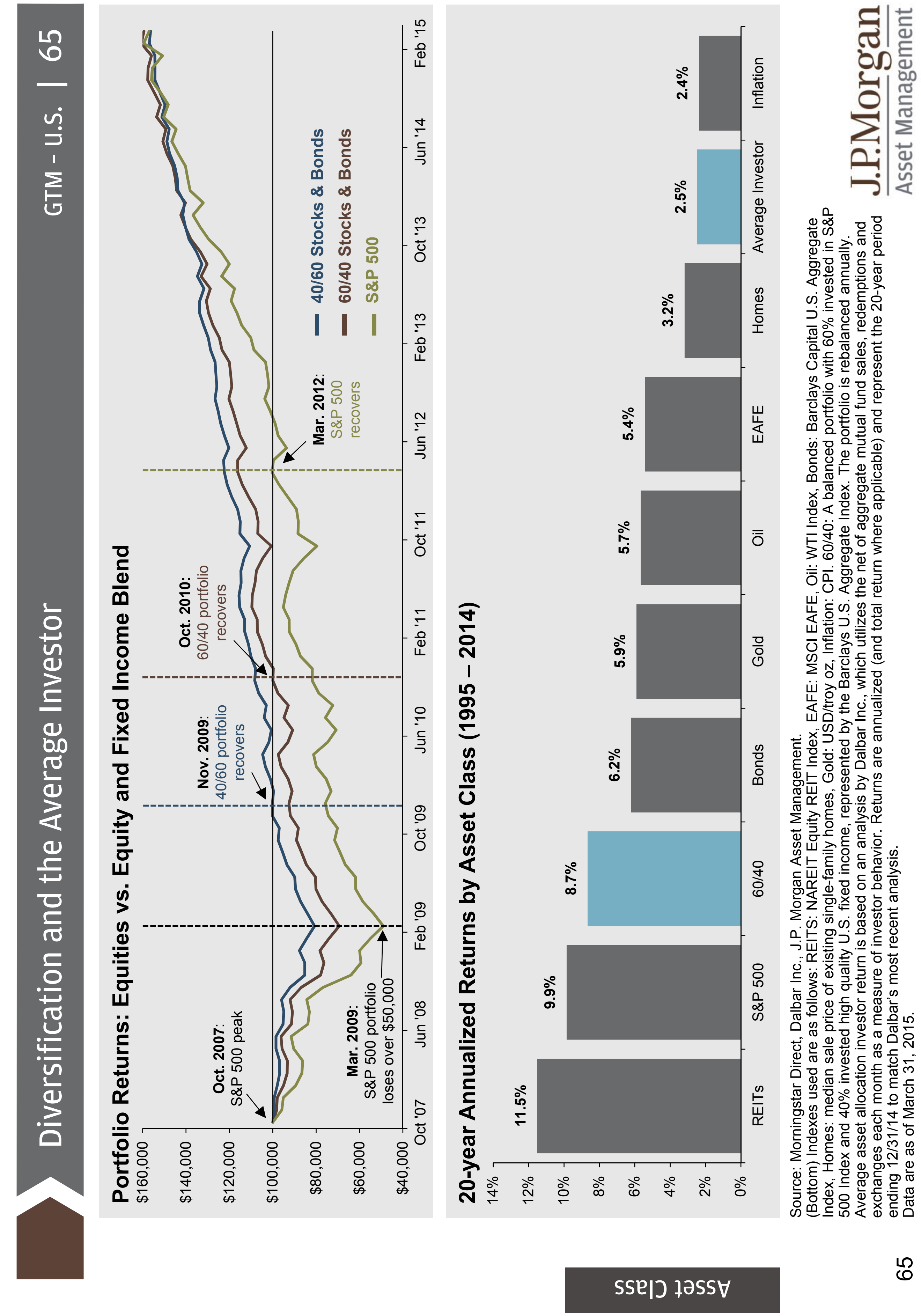
- Money manager recommendation and portfolio construction
- Client service anywhere, anytime
- Portfolio monitoring and re-balancing when necessary
- Market insight communication
- Tax, estate, and retirement planning
- Production/delivery of online/paper statements
- Licensing and government fees, auditing
- Investor protection fund contributions

Operating Expenses

- Regulatory document filing
- Transaction processing
- Client reporting
- Audit and legal fees
- Custodial fees

Taxes

Sales tax on management and administrative expenses

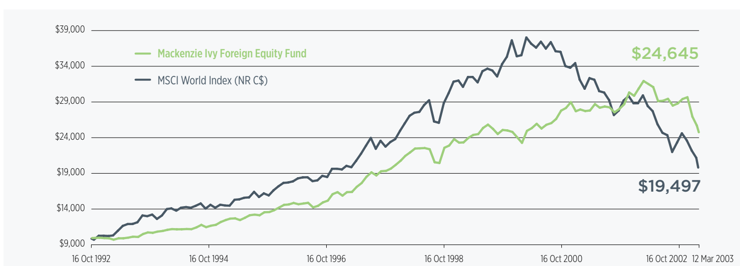


Money Manager Profile: The Ivy Team from Mackenzie Investments

If you were measuring investment performance of a money manager in 1999 or 2007 (the peak of two strong bull markets), you could easily conclude that a portfolio manager was very capable of generating strong absolute returns. But during a rising bull market environment it is possible that the money manager did well simply by taking on more risk as markets appreciated.

This will only become apparent when a bull market ends as it did in 2000, and 2008. A more accurate measure of risk adjusted returns is to measure performance over a complete market cycle: either from trough to trough or peak to peak. We offer the following:

Trough to Trough (Oct/92 Ivy inception to March/2003)

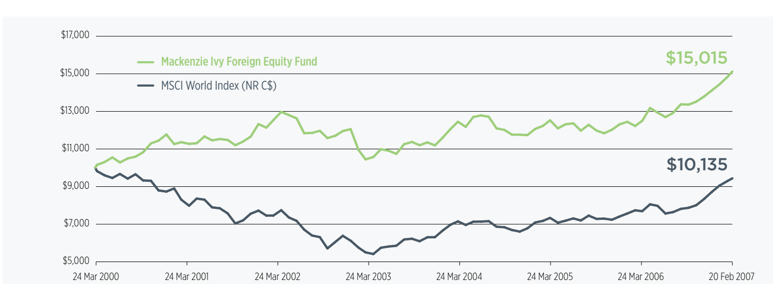


Source: Morningstar Direct

	Returns		Standard Deviation
	Cumulative	Annualized	Annualized
Fund	146%	9.1%	9.4%
Index	95%	6.6%	13.4%

From Ivy inception to the market trough of March/2003 Ivy was up a cumulative 146% versus 95% for the benchmark MSCI World Index.

Peak to Peak (March/2000 to February/2007)

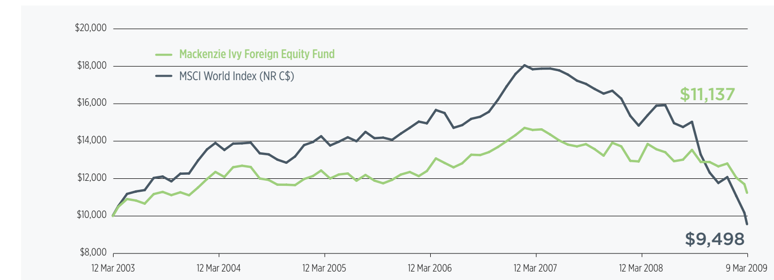


Source: Morningstar Direct

	Returns		Standard Deviation
	Cumulative	Annualized	Annualized
Fund	50%	6.1%	9.4%
Index	1%	0.2%	12.3%

From the market peak March/2000 to the next peak in February /2007 Ivy gained 50% while the benchmark gained 1%.

Trough to Trough (March/2003 to March /2009)

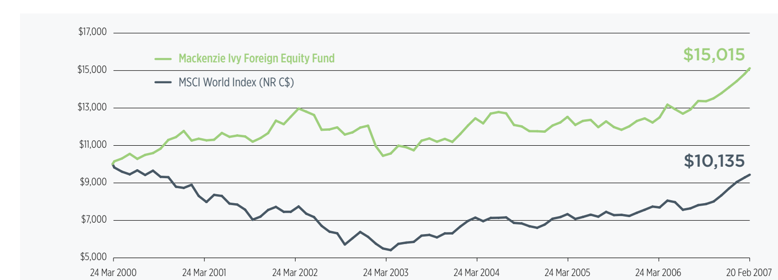


Source: Morningstar Direct

	Returns		Standard Deviation
	Cumulative	Annualized	Annualized
Fund	11%	1.8%	9.5%
Index	-5%	-0.9%	12.3%

From market trough of March 2003 to the market trough of March 2009 Ivy gained 11% while the benchmark was negative 5%.

Peak to Peak (February/2007 to Dec.31/2014)



Source: Morningstar Direct

	Returns		Standard Deviation
	Cumulative	Annualized	Annualized
Fund	50%	6.1%	9.4%
Index	1%	0.2%	12.3%

From the market peak in Feb/07 to Dec/14 Ivy outperformed the benchmark by approximately 17%. In summary since inception to Dec/2014 Ivy is up cumulatively 446% versus 366% for the benchmark. Just as importantly the returns for Ivy were achieved with 26% less risk (volatility) than the benchmark.