



As Spring has officially sprung, we hope that you were able to take time to enjoy the milder temperatures that we had for the first part of the year, and we are sure you are looking forward to the consistent Spring temperatures to come. It is finally time to put away the wool blankets and bring out the picnic blankets.

Around the Office



The first quarter was spent, as always, ensuring that clients' RRIF & LIF payments were completed as required, as well as, completing the Annual Capital Gains & Losses Reports for clients to provide to their Tax Advisors for the 2023 Tax Year.

Kristin continues to work closely with Roman in reviewing client portfolios, and ensuring that client information is accurate, up-to-date, complete, and organized to give Roman the full picture when providing advice to clients.

Kristin is always here to assist with client administrative needs, including, but not limited to, Client Portal issues, clarification on notices received from Investia, scheduling meetings / phone calls with Roman, year-end tax slips and general account inquiries just to name a few.

Local update: Service Canada has moved to a new location. You can find Service Canada in the Seaway Mall. Service Ontario has also moved. You can find Service Ontario in the Staples store at the Seaway Mall.

Declan has continued his learning through his university education and is busy studying for exams coming in April. His current courses are allowing him to develop a better understanding of economics, statistics, and financial management; all of which lead to increased knowledge and better service for our clients.

Alongside his university education, Declan is now officially a Licensed Assistant for Keith McConkey. Being licensed will now allow Declan to service our clients during Keith's absences.



As we approach the warmer months, Declan is looking forward to being able to start golfing again.

Reminder - Daily Office Staff Meetings - 9:30am to 10:30am

Should you call during this period, please leave us a message on our voicemail. We conduct our daily office meeting during this time and phones will not be answered. This time allows us to organize our day's tasks, review the previous day's work, discuss, and complete client reviews and enquiries, as well as review current rates, markets and updates on the latest news.

Annual Reviews

As a reminder, every year we prepare an Annual Review for each of our clients. This is an important process to ensure we are up-to-date with the most current information, as well as ensuring your information is accurate and meeting your Financial Lifestyle needs. Preparing your review involves a detailed process that not only has us look back on the past year but also look at the upcoming year for potential needs that might arise and ensuring client files are up to date and accurate. Spending the time to go over your entire portfolio is even more important given the current situation in the world. A lot has changed for many people, and many things that may have not been thought about before have come to the forefront. To help ease some of your scheduling stress, we are currently booking Annual Reviews via virtual meeting, telephone, or in person, depending on your preference and comfort level. For those doing their Annual Reviews by Zoom/Microsoft Teams or by telephone, the reviews will be uploaded to your Client Portal and/or mailed before the scheduled meeting date.



Our office remains closed to public/walk-ins, however, we are available by telephone and in-person meetings by appointment only.

If you would like for us to wear a face covering for your in-person meeting, please notify our office before your scheduled meeting, and we will be more than happy to do so.

For clients requiring an evening appointment, some evenings have been set aside to accommodate. Please be advised that due to the high demand for evening appointments, availability may be limited.

Technology Update, IT and Cyber Security - Roman

March 2024 - the City of Hamilton was a victim of a ransomware attack. The timeline to get up and fully running (back to normal) has taken far much longer than anyone anticipated, and has shut down almost all city phone lines, paralyzed city council and impacted dozens of services. Please be careful when accepting "Friend Requests" on social media – is it actually the person you think it is? We have noticed a large increase of spam texts and phone calls. One person saw their bank account drained after clicking on one of their text links that stated they had a package awaiting delivery. A scammer may be able to install malware software, such as spyware, ransomware, or a virus on your device after clicking on a phishing link. Though technology has made our lives easier, it has also made it easier for the criminals out there.

March 2024 - Giant Tiger's customer data was compromised by an unauthorized third party that was able to obtain copies of information about their customers, according to Giant Tiger. This involved Giant Tiger customers of its GT VIP loyalty program along with customers who placed orders that were picked up at a local store, all of whom may have had their names, emails, home address and phone numbers compromised.

Financial Planning Insights by Keith

In our house, Baseball is the game. We start counting the days until spring training when the calendar turns. Baseball and financial planning may seem like worlds apart, but there are parallels between the two that reveal a strategic mindset, essential for success in both. Both require careful planning, disciplined execution, and the ability to adapt to changing circumstances. Let's explore how the principles of baseball translate into the realm of financial planning.

****Setting the Lineup: Asset Allocation****

In baseball, managers carefully select players for each position based on their skills and strengths. Similarly, in financial planning, it's important to allocate assets strategically to optimize returns while managing risk. Just as a balanced lineup enhances a team's performance, a diversified portfolio reduces vulnerability to market fluctuations.

****Pitching Strategy: Risk Management****

Pitchers in baseball employ different strategies to outwit batters and minimize runs scored against them. Likewise, in financial planning, risk management is crucial. We help assess risk tolerance and employ various tactics, such as hedging, diversification and insurance, to mitigate potential losses and preserve capital.

****Playbook Adjustments: Adaptability****

Baseball managers constantly make adjustments during games based on the evolving situation on the field. Similarly, financial planners must remain flexible and adapt their strategies in response to changes in the



market, economic conditions, or personal circumstances. Sticking rigidly to a plan without considering external factors can lead to missed opportunities or unnecessary risks.

****Game Analysis: Performance Evaluation****

After each game, baseball teams analyze their performance to identify areas for improvement and capitalize on strengths. Similarly, it's important for us to regularly review your financial plans, track investment performance, and make adjustments as needed to stay on course towards their goals.

****The End Game: Achieving Your Financial Goals****

Just as baseball players aim to win championships, individuals strive for financial security. Planning for your goals requires long-term vision, disciplined saving, and prudent investment decisions. Like a successful baseball team, a well-prepared retiree can enjoy the fruits of their labor and live comfortably in their golden years.

In conclusion, the strategic thinking and disciplined approach required in baseball mirror the principles of financial planning. Whether on the field or in the financial markets, success stems from careful planning, effective risk management, adaptability, and continuous evaluation. By applying the lessons learned from America's favorite pastime to personal finance, individuals can strive for financial success and achieve their long-term goals.

Patience is a person's ability to wait something out or endure something tedious, without getting riled up. Having patience means you can remain calm, even when you've been waiting forever or dealing with something painstakingly slow.

Perseverance is persistence in sticking to a plan. Steady persistence in adhering to a course of action, a belief, or a purpose; steadfastness.

Estate and Tax Planning – Roman

What is a bare trust?

The term "bare trust" is not defined in the *Income Tax Act*. However, a bare trust for income tax purposes is a trust arrangement under which the trustee can reasonably be considered to act as agent for all the beneficiaries under the trust with respect to all dealings with all of the trust's property.

A trustee can reasonably be considered to act as agent for a beneficiary when the trustee has no significant powers or responsibilities, the trustee can take no action without instructions from that beneficiary and the trustee's only function is to hold legal title to the property. In order for the trustee to be considered as the agent for all the beneficiaries of a trust, it would generally be necessary for the trust to consult and take instructions from each and every beneficiary with respect to all dealings with all of the trust property.

A common example of a situation where a bare trust arrangement can exist is when, for privacy reasons, a property developer establishes a bare trust arrangement that will hold registered title to real property, while the developer retains beneficial ownership.

Bare trusts that may potentially affect you (not an exhaustive list):

- a parent co-signing a mortgage to financially assist a son or daughter who might not otherwise qualify because of low earnings might be considered to have established a bare trust for tax purposes.
- joint accounts held by aged parents and their kids may qualify as a trust relationship and thus be subject to complex new reporting requirements from the Canada Revenue Agency to verify exactly who owns what.



- If a child inherited more than \$50,000 from his or her grandparents and it was held for them in trust in a bank account, or if a parent is managing an account in trust for an adult child with a disability, those types of situations might also qualify as trusts for which reporting is required.

Before this new legislation was passed, reporting requirements were very limited and straightforward. For example, if capital property inside of a trust was sold, that information would need to be disclosed. Today, unless a trust has been listed by CRA as specifically exempt from the new, expanded reporting rules, trustees of any kind of trust need to carefully examine their potential reporting obligations.

You'll be required to file a tax return for bare trusts under the new trust reporting rules. The new trust reporting rules apply to trusts with tax years ending on December 31, 2023 and onward. Failure to comply with the new reporting rules may result in potentially significant penalties, including the new gross negligence penalty.

How do the new reporting requirements apply to bare trusts?

Under the new reporting requirements, the trustee of a bare trust must file an annual T3 trust return for tax years ending after December 30, 2023. Under the new rules, trusts will also be required to report additional information (i.e., name, address, date of birth, jurisdiction of tax residence, and tax information number) about their stakeholders on T3 Schedule 15, "Beneficial ownership information of a trust." Such stakeholders include trustees, beneficiaries and settlors of the trust, and anyone who has the ability (through the trust terms or a related agreement) to exert control or override trustee decisions over the appointment of income or capital of the trust (i.e., a protector).

Bare trusts that have been in existence for less than three months, or that hold less than \$50,000 in assets throughout the tax year (provided their holdings are limited to deposits, government debt obligation, and listed securities) may be exempt from the new reporting requirement.

What are the penalties for not filing?

If a bare trust fails to file a trust return under the new legislation, the late-filing penalty is \$25 a day (minimum \$100, maximum penalty of \$2,500). An additional penalty equal to the greater of \$2,500 or 5% of the maximum value of the property held during the taxation year by the trust would be applied where a failure to file was made knowingly or due to gross negligence.

Additional information

It's critical to familiarize yourself with the new rules due to the greater compliance requirements in comparison to prior years. The new requirements are complex, and the penalties are significant. We strongly recommend to contact your local tax and or legal advisor for further clarification.

Further information is also available on the CRA site:

<https://www.canada.ca/en/revenue-agency/services/tax/trust-administrators/t3-return/new-trust-reporting-requirements-t3-filed-tax-years-ending-december-2023.html>

NOTE: In a pre-Easter act of generosity (March 28, 2024), Canada Revenue Agency announced that bare trusts will be exempt from trust reporting requirements for 2023. A huge relief to thousands of Canadians who were scrambling to file a T3 trust return for the first time for their bare trusts.



Bad Love



Love and romance are important at any age. Our need to love and be loved never leaves and can even grow as we age through later life stages. But what about when it isn't so good? What about when it is hurtful and exploitative?

In this article, we'll reveal the ugly underbelly of the 'Romance Scam.' These scams, unfortunately, target those ready for a new relationship, especially in the boomer and senior demographic. Understanding how they work is key to safeguarding against their pitfalls.

A Cautionary Tale: The Case of "Eleanor"

To illustrate, let's consider the story of "Eleanor" (name changed for privacy). Eleanor, a 72-year-old widow, met "John" on a popular dating site. John was charming, attentive, and seemed to understand her. Their relationship grew quickly, with John soon professing his love for Eleanor and his intention to marry her and take her away from it all! John often shared stories of his business ventures and travels. However, he always had a reason for not being able to meet in person.

Eventually, John mentioned he was in a financial bind. He first asked Eleanor for a small loan, promising to pay her back once his business deal was completed. Trusting him, Eleanor complied. But the requests didn't stop there. John soon convinced Eleanor to invest in cryptocurrency and even use her social media, family and friends to raise funds for his "business."

As Eleanor's savings dwindled, her family became concerned. When they confronted her, she became defensive and angry with her family. John and his buddy even encouraged Eleanor to show her family a knife and threaten to commit suicide if they didn't also contribute money for her to give him. Eleanor's family didn't know what to do and where to turn – they were reluctant to go to the police for fear they would get their mother in legal trouble of aiding and abetting these horrible men.

Eleanor's story is a stark reminder of the lengths to which these scammers will go. It underscores the need for vigilance and the importance of seeking advice from trusted sources when something seems too good to be true.

The Rise of Romance Scams in Later Life

In recent years, there's been a notable increase in romance scams, especially among seniors. The Canadian Anti-Fraud Centre reported losses of over \$18.3 million CAD due to romance scams in 2020 alone, a startling figure that highlights the severity of the issue.

Understanding Vulnerability

Who falls prey to these scams? It's a common misconception that only the naïve or technologically unsavvy are vulnerable. In reality, loneliness, the desire for companionship, and sometimes a lack of digital literacy make seniors particularly susceptible. The scammer often creates a profile that seems perfect, building a relationship over weeks or months.



The Mechanics of a Romance Scam

How do these scams unfold? It typically starts with a simple message on a dating site or social media platform. The scammer, often pretending to be a potential romantic partner, invests time in building a relationship, often expressing strong emotions quite early. Once trust is established, they may start asking for money for various emergencies, travel expenses to visit, or other seemingly plausible reasons.

Recognizing the Red Flags — Be Wary of Someone Who:

- Professes love too quickly.
- Is hesitant to meet in person or video call.
- Requests financial assistance or personal information.
- Has a profile that seems too good to be true.

The Unconventional Tactics of Romance Scammers

Romance scammers have become increasingly sophisticated, employing a variety of unconventional methods to extort money. Beyond the traditional request for wire transfers, they are now turning to modern technology and psychological manipulation, including:

Cryptocurrency: In some cases, victims are asked to send money via Bitcoin or other cryptocurrencies. This method is particularly appealing to scammers because it's harder to trace and recover the funds.

Social Media Fundraising: Scammers may manipulate their victims into using their own social media accounts to solicit money from friends and family, under the guise of a personal crisis or a charitable cause.

Prevention and Protection

If this happens to you, stop all communication, contact the authorities, and seek support from a trusted friend or family member. To help safeguard yourself, remember to never send money or personal information to anyone you have not met in person, verify images and profiles, keep personal information private, and trust your instincts.

In closing, remember, awareness is your best defense against these scams. Stay informed, stay vigilant, and let's ensure that love remains a source of joy, not jeopardy, especially in our golden years.

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Broken Heart Syndrome



An 'emotionally' broken heart can have a significant physical impact on the actual heart, a condition known as broken heart syndrome or Takotsubo cardiomyopathy. This condition often occurs following stressful situations and extreme emotions. Symptoms can mimic those of a heart attack, including chest pain and shortness of breath. It is believed to be caused by a surge of stress hormones that temporarily disrupt the heart's normal functioning. While typically temporary, it shows the profound connection between emotional stress and physical heart health (Mayo Clinic).

Find All The Barriers

"Your task is not to seek for love, but merely to seek and find all the barriers within yourself that you have built against it." - Rumi

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