

RETIREMENT COUNTDOWN

26 : 02 : 08  
 YEARS MONTHS DAYS

## Wealth Accumulation



Life Stage:	<i>Getting Ahead</i>
Marital Status:	<i>Married</i>
Employment:	<i>We both have professional careers</i>
Income:	<i>50% to the kids, 50% to the bills. The rest is ALL ours!</i>
Savings:	<i>We have been saving for 10 years and could use some professional help.</i>
» Our Goals:	<b>Saving for our children's education tax efficiently, contributing to and growing our RSPs and ... having a full life!</b>

## Demanding jobs, 2 kids, no time for a mid-life crisis!

"I'll be the first to admit that my husband and I don't have a lot of time to organize our finances, what with ballet, hockey, swimming, piano and somebody's birthday party every other week.

We have been fairly diligent in contributing to our personal RSPs, but making sure we have money for the kids' education is something we think about. The solution that our advisor presented involving a **tax efficient savings plan for education really caught our attention.**

Everything won't always be about the kids. And we will need flexibility in our savings that an RSP can't give us. So now, one slice of our income pie goes to university savings, one to our RSPs, one to the mortgage, and one into NexGen Tax Managed Funds.

With enough remaining for a family vacation, we can make sure our lives are as full and rich as possible. This finally puts our finances in balance with our life."



*The better way to invest*

# You've Earned Your Money; Now Invest Better to Reduce Your Taxes

NexGen Registered and Tax Managed Funds were designed to defer and ultimately reduce tax burdens over time. This is tax efficient investing.

## Why is Tax Efficient Investing Important?

- To maximize your portfolio size over the long term
- To minimize surprise year-end tax bills
- To keep your hard earned money where it should be ... under your control

## Tax Costs over the last 10 years:

- Average **Core Fixed Income Fund** lost 47.5% of pre-tax returns
- Average **Balanced Portfolio Fund** lost 30.8% of pre-tax returns
- Average **Canadian Equity Fund** lost 23.5% of pre-tax returns
- Average **Global Equity Fund** lost 20.7% of pre-tax returns

*Morningstar, Average Post Liquidation Tax Efficiency as of March 30, 2007*

Ignoring the effect of tax on your hard earned savings could cost you.

## Why is NexGen the better way to invest?

Simply put, we have the **MOST COMPREHENSIVE TAX PLANNING MUTUAL FUND PRODUCTS** in Canada.

### NexGen **Registered Funds** for your RSP

- Contributing to your RSP is the first step in saving for and securing your retirement.

### NexGen **Tax Managed Funds** for your non-registered account

- 14 Tax Managed mutual funds allow you and your financial advisor to regain control of your tax destiny by giving you choice. Choose your investment. Choose your type of taxable income. Choose the NexGen Fund and Tax Class that best suits your investment profile.

The following Tax Classes endeavour to provide:

**Capital Gains Class:** An annual distribution of capital gains

**Return of Capital Class:** Monthly tax deferred 'return of capital' income

**Dividend Tax Credit Class:** Monthly tax efficient Canadian dividend income

**Compound Growth Class:** Minimal or no distributions

All income is not created equal. Employment Income, Capital Gains, Canadian and Foreign Dividends and Return of Capital, are all taxed differently. NexGen Tax Classes use that to your advantage.

### Combined Top Marginal Tax Rates for Individuals – 2007 (%)

Province	Eligible Canadian Dividends	Non-eligible or Foreign Dividends	Capital Gains	Interest and Employment Income
British Columbia	18.5	31.6	21.9	43.7
Alberta	17.5 <sup>1</sup>	25.2 <sup>2</sup>	19.5	39.0
Ontario	24.6	31.3	23.2 <sup>3</sup>	46.4
Quebec	29.7	36.4	24.1	48.2

(1) Alberta announced that this rate will decrease to 14.55% by 2009.

(2) Alberta announced that this rate will increase to 27.71% by 2009.

(3) Ontario announced that this rate will decrease to 22.38% by 2010.

NexGen allows you a choice of investments that meet *both* your investment needs and your tax situation as your life changes. **Your financial advisor can help.**

# Your Financial Lifeline



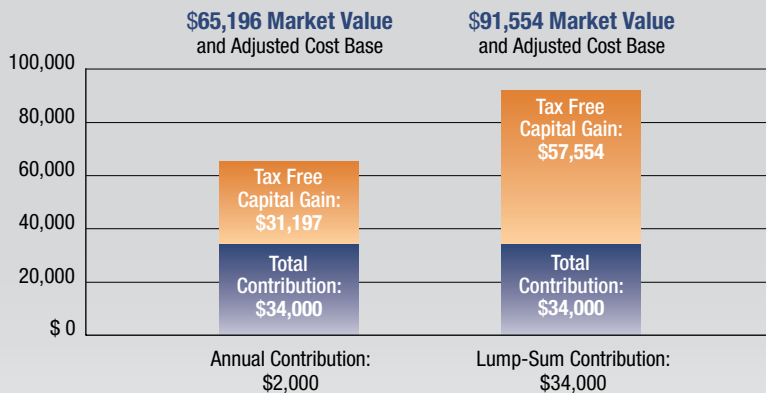
HERE'S AN IDEA

## Tax Efficient Savings Plans for Education and More

Open an In-Trust-For account for a child and select any number of NexGen Funds with the Capital Gains Class.

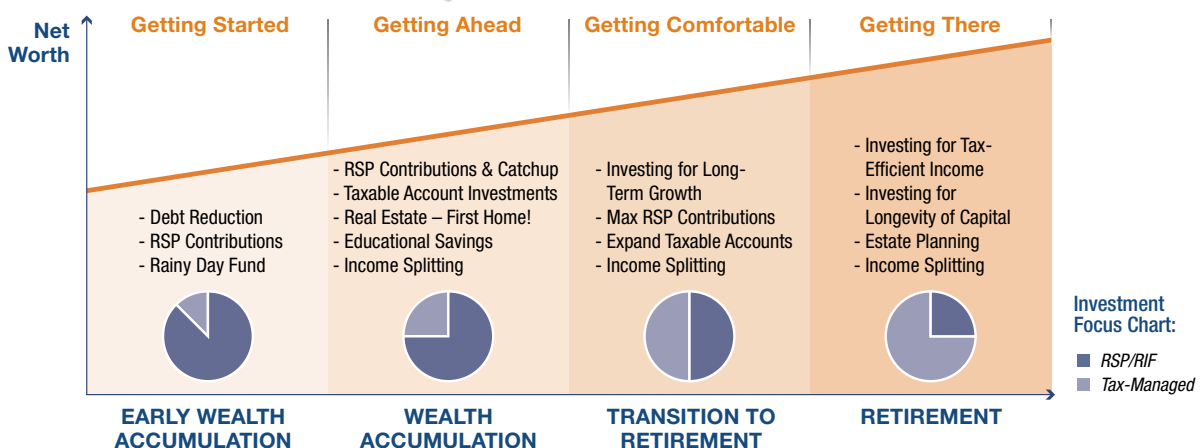
Only capital gains income is not attributed back to the contributing adult and is included in the child's income for tax purposes where it can usually be received tax free. An In-Trust-For account within the Capital Gains Class of any NexGen Fund is an ideal vehicle to tax efficiently save for many purposes, including post secondary education, private school, estate planning, or a son's/daughter's first home, among other things.

### NexGen In-Trust-For Account – Capital Gains Class: An Opportunity for Tax Free Growth



The rate shown, 6% average annual return compounded over 17 years, is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the funds or return on investment in the funds. This example assumes all distributions are reinvested and that the Capital Gains Class pays a distribution equal to the increase in the Net Asset Value, as allowable in the fund prospectus.

The balance between saving in an RSP versus a non-registered account will change as your life and priorities change. Through NexGen you can contribute to your RSP and invest tax efficiently outside of your RSP.



Smart investing and smart tax planning that can change with your ever changing life will mean one thing for you and your family: **MORE MONEY IN YOUR POCKET!**

## NexGen Investment Teams

### NexGen Financial



**Jeff Young, MBA, CFA**  
Portfolio Manager Jeff Young, MBA, CFA joined NexGen in 2005 to focus on North American equity investing. Mr. Young has over 12 years financial industry experience and was a Co-Recipient of the 2004 Barclays Global Investors Canada Research Award.

**Manager of:**  
NexGen Canadian Large Cap Funds  
NexGen North American Large Cap Funds



**Jonathan Baird, CFA**  
Jonathan Baird has over 20 years experience as a money manager, primarily managing mutual funds. He possesses a strong value record of performance investing in both North American and International markets. Mr. Baird's responsibilities include the management of the NexGen Global Value Funds as well as oversight of the investment activities of the Macquarie NexGen Global Infrastructure Corporation.

**Manager of:**  
NexGen Global Value Funds  
Macquarie NexGen Global Infrastructure Corporation

### Selective Asset Management



**Robert McWhirter, F.C.S.I., CFA**  
Bob McWhirter has more than 25 years experience in the securities industry and is a well known money manager. A fund managed by Mr. McWhirter was recently honoured with the prestigious 2005 Canadian Investment Awards' Science & Technology Equity Fund of the Year for the third consecutive year.

**Manager of:**  
NexGen North American Small/Mid Cap Funds  
NexGen North American Value Funds  
NexGen Canadian Dividend and Income Funds  
NexGen Canadian Growth Funds  
NexGen Canadian Growth and Income Funds (Equity Portion)

### J. Zechner and Associates



**John Zechner, BA, MA, CFA**  
Led by its founder, John Zechner, the firm manages over \$2.3 billion in assets from their offices in Toronto. Mr. Zechner emphasizes a team approach coupled with strong economic research and fundamental analysis, focused on variations of three investment mandates: Canadian and North American equity, balanced and fixed income investing.

**Manager of:**  
NexGen Canadian Cash Funds  
NexGen Canadian Bond Funds  
NexGen Canadian Balanced Growth Funds  
NexGen Canadian Growth and Income Funds (Fixed Income Portion)  
NexGen North American Dividend and Income Funds  
NexGen North American Growth Funds  
NexGen American Growth Funds

## Wealth Accumulation

Saving for our children's education tax efficiently, contributing to and growing our RSPs and ... having a full life!

### SIX WAYS TO REDUCE YOUR TAX BILL

1. Maximize your RSP contributions
2. Contribute to a spousal RSP
3. Earn different types of income for tax advantages
4. Make charitable donations to organizations you care about
5. Use income splitting
6. Use In-Trust-For accounts to save tax efficiently for minor children

**Invest better:** Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their value changes frequently and past performance may not be repeated.

The payment of distributions for Dividend Tax Credit Class and the Return of Capital Class should not be confused with a mutual fund's performance, rate of return or yield. If distributions paid by a mutual fund are greater than the performance of the fund, then your investment will decline.

Distributions paid as a result of capital gains realized by a mutual fund and income and dividends earned by a fund are taxable in your hands in the year they are paid. For Return of Capital Class, your adjusted cost base will be reduced by the amount of any returns of capital. If your adjusted cost base goes below zero, then you will have to pay capital gains tax on the amount below zero.

Please contact your financial advisor to learn more about the better way to invest and reducing your tax burden.

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