

Guagliano-Hedgcock Wealth Management Newsletter



Summer 2025

In this edition

- The golden age of here and now...1
- Home buying season is here: The bank of «insert your family name here» ...2
- Summer job? Help younger family members file a tax return.....2
- Less can be more: Simple ways to simplify your finances3
- Navigating choppy waters: The value of discipline.....3
- Understanding tariffs: A primer on the “why” and “what”4
- More on the golden age: Nine ways life has dramatically improved5
- When did you last review your registered plan beneficiaries?6
- Protecting you & others: Six practical ways to protect from scams7

The golden age of here and now

In a world flooded with headlines about conflict, it may be easy to lose sight of how far we’ve come. It’s worth a reminder: we are living through an extraordinary chapter in history. Of all the progress over the past 10,000 years in raising living standards, half has occurred since 1990. As **The Economist** recently put it, “Of all the golden ages, the greatest is here and now.”¹

Much of today’s prosperity is rooted in the post-WWII global order, with decades of expanding trade and cooperation lifting economies around the world. Respected investor Howard Marks recently noted: “Globalization has contributed to a rising economic tide that has lifted all boats.”²

It is therefore not surprising that the U.S. administration’s April “Liberation Day” caught much of the world off guard. The breadth and global scope of the introduced tariffs challenged long-standing norms in international trade relations. As the situation continues to quickly evolve—with legal challenges underway at the time of writing—observers remain divided on the potential consequences. Some foresee heightened recession risks, while others believe evolving policy responses could help avert a significant slowdown. Regardless of the outcome, these developments have introduced a notable degree of uncertainty.

What’s more certain is that changes in U.S. trade policy have accelerated a broader shift away from globalization toward a more multipolar world, where nations increasingly prioritize self-sufficiency and national security. This may also be undermining the long-standing role of the U.S. as the dominant superpower. During April’s volatility, a sharp selloff in U.S. Treasuries raised concerns, particularly as China—holding roughly one-sixth of foreign-owned U.S. Treasuries—has been increasing its gold reserves. At the same time, demand for the U.S. dollar, once the world’s default safe haven, has remained muted, raising questions about waning confidence in U.S. leadership. As one analyst put it: “You can’t antagonize and influence at the same time.”

Indeed, the pace and tone of recent policy shifts have felt rapid, volatile and often confrontational—prompting some to compare the new U.S. approach to the tech-world mantra: “Move fast and break things.” Complicating the situation, we are living in a time when technology increasingly influences our perceptions—delivering news in real-time and amplifying the sense that change is urgent. Yet, many of these policies are still evolving, and their true impact remains uncertain. Market reactions, meanwhile, have been swift and exaggerated. The sharp selloff in April, followed by a strong rebound in May, serves as a reminder of how quickly investor sentiment can shift. As investors, this doesn’t mean we should become complacent about how rapidly change can occur—but it does underscore how volatility can distort our sense of urgency.

Looking ahead, we should expect continued shifts in policies, as well as new—and likely unexpected—developments from south of the border. In an era where headlines can move markets in minutes, disciplined decision-making can play an essential role in investing. Equally important, patience, perspective and participation remain cornerstones of longer-term success—without losing sight that we continue to live through one of the most prosperous periods in human history.

1 <https://www.economist.com/culture/2025/05/01/how-golden-ages-really-start-and-end>

2 <https://www.oaktreecapital.com/insights/memo/nobody-knows-yet-again>

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Home buying season is here: The bank of «insert your family name here»

With homeownership increasingly out of reach for younger generations, many families are stepping in to help. In 2024, the average financial gift nationally was \$115,000—ranging from \$128,000 in Ontario to \$204,000 in British Columbia—a whopping 73 percent increase since 2019!¹

While this can be a meaningful gesture, it requires careful planning to avoid unintended tax, family law or financial consequences. Support can take many forms, including gifting cash, lending funds or purchasing a property in your name—each with differing implications. In brief, here are four high-level considerations:

- 1. How does this impact my own financial situation?** Many families draw from lifetime savings to provide support, so it's important to assess how this can affect retirement or long-term plans.
- 2. What if the recipient's relationship ends?** If the recipient is in a relationship, a breakup could lead to a division of property under family law. Certain legal structures—such as ownership arrangements or cohabitation agreements—may help mitigate risks.
- 3. Are there tax implications?** While Canada has no gift tax, keep in mind that certain arrangements could trigger taxable events. Large gifts from taxable investment accounts could result in unexpected capital gains tax. There may also be future tax implications. For instance, if you structure the arrangement to co-own a home with the recipient and it isn't your principal residence, capital gains may apply upon its sale/disposition, or there may be future cross-border tax implications if you retire abroad.
- 4. Will this affect my estate plan?** If you have multiple beneficiaries, including the recipient, you may need to adjust an estate plan to ensure fairness. A strategic approach might include integrating gifting into an estate equalization plan—

¹ <https://financialpost.com/news/homebuyers-rely-bigger-gifts-from-parents>

through lifetime gifts or testamentary planning using trusts or insurance.

The many benefits

When approached thoughtfully, supporting a home purchase can offer wide-ranging benefits. Many find value in witnessing their wealth in action—helping loved ones when support is most needed, rather than waiting for an estate distribution. This support can help mitigate long-term financial stress for the recipient. Gifting during your lifetime may help simplify your estate by reducing its overall size, which can ease future administration and potentially reduce probate fees, depending on the province. It can also be a teaching opportunity: smaller, ongoing gifts may be appropriate ways to help recipients invest and plan for the future by leveraging tax-advantaged tools like the Tax-Free Savings Account (TFSA) or First Home Savings Account (FHSA).

As always, seek the advice of tax and family law professionals.

Housing costs over decades: Why kids today may have it harder

	1984	2012	Today	% Change from 1984
Average home cost	\$76,214	\$369,677	\$712,200*	+834%
Median family income	\$48,500	\$71,700	\$107,663**	+122%
Price-to-income ratio	1.57	5.16	6.62	+321%
5-yr. fixed mortgage	14.96%	4.23%	4.70%***	-69%
75% mortgage value	\$57,161	\$277,258	\$534,150	+834%
Monthly payment (25 yr.)	\$711	\$1,493	\$3,016	+324%
Payment-to-income ratio	17.6%	25.0%	33.6%	+91%
Lifetime interest cost	\$156,034	\$170,704	\$370,665	+138%

*National benchmark, April 2025: <https://wowa.ca/reports/canada-housing-market>. **StatCan Table 11-10-0190-01, 2022 figure (after tax) with 2.56% annual wage growth in 2023-25. ***Avg. major banks' five-year fixed rate, April 28, 2025. Historical data source: "2012 vs. 1984: Yes, Young Adults Do Have It Harder Today," R. Carrick. Globe & Mail, 8 May 2012, B12.

Summer job? Help younger family members file a tax return

Is there a teenager in your family—perhaps a child, grandchild, niece or nephew—working part-time during the summer or after school? Helping them file a tax return can be a simple but powerful way to start building future wealth by unlocking potential tax advantages.

Many teens choose not to file a tax return if taxable income is below the basic personal amount—\$16,129 in 2025 (federally). What's often overlooked is that even modest earnings can generate valuable Registered Retirement Savings Plan (RRSP) contribution room.

Take Saya, for example. At age 14, she begins work as a lifeguard and earns \$5,000 each summer. Her aunt helps her file a tax return, allowing her to accumulate RRSP contribution room at a rate of 18 percent of earned income. For Saya, this means \$900 in RRSP room for each summer of work. Even if she doesn't contribute to her RRSP, the unused RRSP room carries forward indefinitely. By age 22, after graduating from university, Saya has accumulated \$8,100 in unused RRSP room. When she starts a full-time job, assuming a 30 percent marginal tax rate,¹ she contributes the full \$8,100 to her RRSP, saving \$2,430 in taxes (\$8,100 x 30%). At an average annual

return of 6 percent, this contribution alone could grow to nearly \$75,000 by the age of 60. Not a bad start for someone just beginning their career!

There may be other benefits:

- › **Lifelong financial habits** — Supporting kids in filing their taxes at an early age can help instill lifelong financial skills and good wealth management habits.
- › **Income splitting** — If you own a business, paying younger family members for reasonable services rendered can transfer funds to those in lower tax brackets.
- › **Future access to RRSP funds** — RRSP contributions may be accessed later as an interest-free loan, including up to \$60,000 under the Home Buyers' Plan for an eligible first-home purchase, or up to \$20,000 through the Lifelong Learning Plan for eligible education or training. With rising housing and education costs, every bit helps.

¹ Illustrative. Tax rates vary depending on income and the province of residence.

Less can be more: Simple ways to simplify your finances

Former *Wall Street Journal* personal finance columnist Jonathan Clements has long advocated planning for a financial life that extends past age 90. But when, at 61, he was given a one-year prognosis, his priorities shifted to preparing his family for life without him. One of his biggest tasks? Simplifying his finances. *"I thought (they) were simple, yet since my diagnosis, I've spent endless hours trying to simplify them further."* His takeaway: *"Death is hard work."*¹

When life becomes difficult, financial simplicity can offer relief. Here are some ways that, when it comes to money, less can mean more:

Consolidate financial accounts – Where possible, consolidating bank, investment and other financial accounts can improve asset allocation and tax efficiency, reduce paperwork and prevent forgotten "orphan" accounts over time. It also eases administration for loved ones should something happen to you.

Reduce your digital footprint – The average person holds around 100 digital accounts.² (They quickly add up when factoring in email, social media, financial, entertainment, retail and other services!) More accounts mean greater exposure to data breaches. Protect yourself by limiting the information

scammers can access. Close unused or inactive accounts to limit the risk of identity theft or fraud.

Automate transfers – Set it and forget it: setting up automatic transfers to investment accounts can help you stay on track toward achieving long-term goals with minimal effort.

Cut subscription fat – Cancel unused streaming services, apps or memberships to free up cash flow.

Streamline credit cards – Fewer cards can reduce missed payments and fees, encourage more intentional spending and simplify overall management. Assigning specific cards to different purposes—such as online purchases or recurring bills—can also help with tracking or fraud resolution if a card needs to be cancelled.

Minimize debt accounts – Consolidating loans or prioritizing high-interest debt may be financially prudent to lower interest costs.

Teach younger folks to avoid lifestyle creep – Focusing on needs over wants can reduce overconsumption and financial stress. Fewer possessions also mean less maintenance and more financial freedom.

¹ <https://www.wsj.com/personal-finance/jonathan-clements-personal-finance-cancer-e30d1396>

² <https://www.cnn.com/2024/02/26/tech/digital-legacy-planning-personal-technology/index.html>

Navigating choppy waters: The value of discipline

After April's sharp decline and May's quick rebound, it's worth repeating: reacting emotionally to short-term headlines can hamper long-term success. In challenging markets, discipline is key. Core to our role as advisors is remaining objective and unemotional, building portfolios on research and fundamentals with the understanding that market or economic setbacks are a normal part of investing.

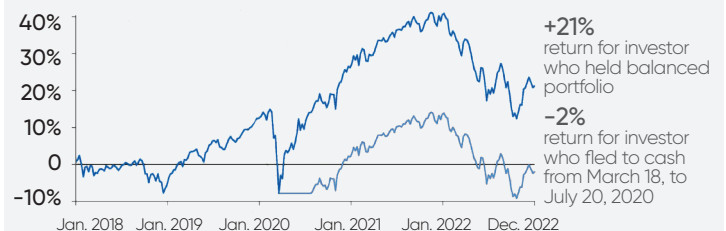
The dilemma, of course, is that human nature often compels us to want to take immediate action when faced with adversity. This instinctive response—rooted in our evolutionary drive for survival—can lead to decisions that hinder longer-term investing success.

While exiting the markets during tough times may feel right, the opportunity cost—when markets reverse their course, often unexpectedly—can significantly impact future wealth. Avoiding the worst days is ideal but nearly impossible to predict. Many of the strongest market days also tend to

follow the weakest. Missing just a handful of the best days can reduce long-term returns. Ironically, sometimes the best "action" is to do nothing.

This dynamic isn't limited to the longer term. During the 2020 pandemic, when the U.S. stock market fell 34 percent in just 22 days, an investor who moved entirely to cash at the bottom in March and remained on the sidelines until July would have seen a 2 percent decline (from 2018 to 2022). In contrast, a disciplined investor holding the same balanced portfolio throughout that period would have seen a 21 percent gain.

Impact of shifting to cash: 2020 Pandemic market drawdown²

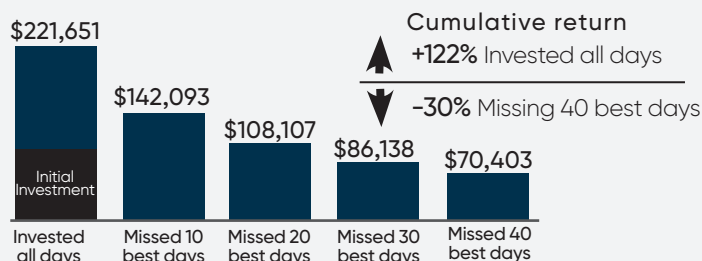


Balanced 60/40 portfolio: Stocks are represented by the MSCI All Country World Index; bonds are represented by the Bloomberg Global Aggregate Bond Index (USD Hedged).

A well-constructed wealth plan serves as a critical roadmap, but professional guidance can help navigate uncertainty and stay on course. One study suggests behavioural coaching alone may provide an average annualized return of 3.4 percent.¹ Don't underestimate the role of discipline and support in making informed decisions, managing risk and maintaining focus on longer-term wealth goals.

The investment impact of missing the best market days¹

Investing \$100,000 over 10 years ending 8/31/23, S&P 500



Source: Morningstar. Returns based on S&P 500 Index, for the 10-year period ending 08/31/23.

¹ https://russellinvestments.com/-/media/files/au/support/voa/voa_report_2023.pdf

² <https://investor.vanguard.com/investor-resources-education/article/four-timeless-principles-for-investing-success>



Understanding tariffs: A primer on the “why” and “what”

When the U.S. administration unleashed tariffs on the rest of the world on Liberation Day, it rattled the financial markets. Since then, many tariffs have been dialed back or put on hold, leading to the equity market rebound. However, the tariff situation is far from over and remains a focus as global trade negotiations continue to evolve.

Here is an overview of how U.S. trade policy is shifting global dynamics:

First, why tariffs?

While the U.S. administration hasn't formally outlined its full rationale, President Trump has long endorsed tariffs as a way to strengthen the U.S. position. The goals behind broad-based tariffs may include: reducing the trade deficit (increasing exports and decreasing imports), supporting U.S. manufacturing and onshoring, securing supply chains, countering unfair trade practices, raising U.S. Treasury revenue and pressuring countries into negotiations.

What are the potential impacts of these tariffs?

The tariffs have introduced broader economic uncertainty, given their potentially wide-ranging effects, including:

1. Inflationary pressures – Tariffs act as a tax on imports. U.S. importers are responsible for paying the tariff—collected by the government—a cost that is expected to be passed on to the end consumer, leading to higher prices.

2. Trade & supply chain disruptions – Tariffs disrupt global supply chains and production cycles. Until now, the uncertainty has made it difficult for businesses to plan, invest or maintain stable supplier relationships. Tariffs can slow trade volumes, as we witnessed between the U.S. and China in April. Outbound Chinese shipments to the U.S. fell by 21 percent (year on year) due to the temporary 135 percent tariff put on many Chinese goods.¹

3. Corporate earnings pressure – Firms affected by the tariffs face rising input costs and supply chain complications, which can shrink profit margins and undermine business confidence. Sectors reliant on global trade may respond by cutting costs, potentially leading to increased layoffs and higher unemployment.

4. Recessionary headwinds – Together, the increased costs, supply chain disruptions and corporate earnings pressures create headwinds that can slow economic growth. Consumer spending accounts for roughly 68 percent of U.S. GDP, so rising unemployment, higher prices and increased uncertainty can reduce purchasing power. This, in turn, can slow business activity, further fuelling the headwinds.

For many decades, the world has operated its trade on the basis of a nation's “comparative advantage”—the idea that countries should specialize in producing goods they can create more efficiently or at a lower cost than others. This system has allowed for greater global efficiency and lower prices for consumers.

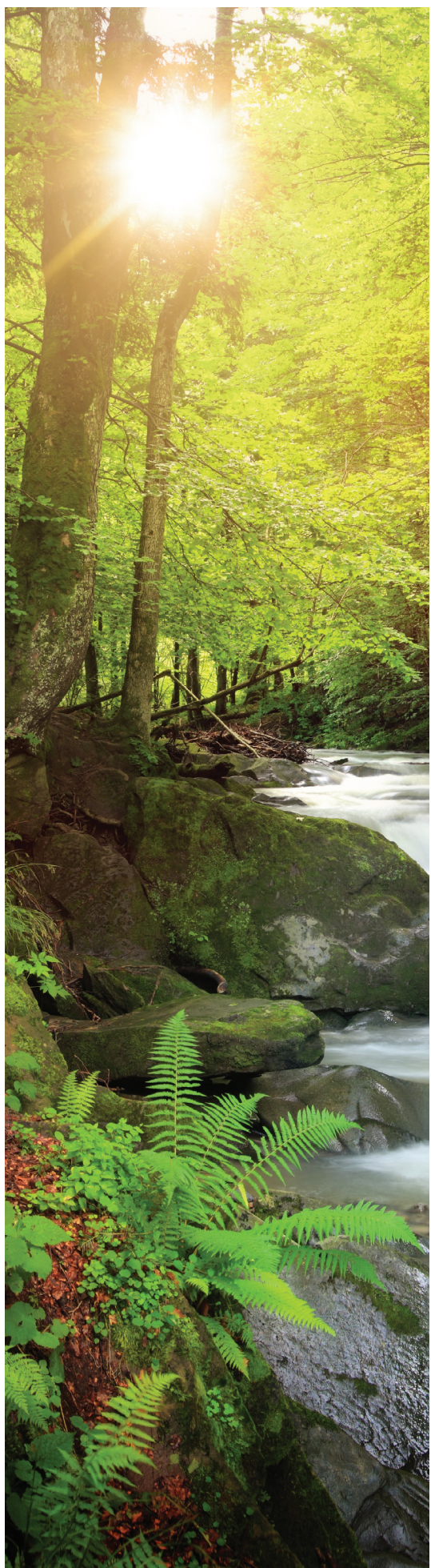
Critics also argue that many of the perceived U.S. tariff objectives may be aspirational. Onshoring manufacturing would require significant infrastructure investment, which is capital-intensive and would take years to build. For many products, U.S. manufacturers simply can't compete with the low input wages of developing countries. One estimate suggests that producing an iPhone in the U.S. would cost about US\$3,500.² While globalization has helped lift the living standards of many nations abroad, we shouldn't overlook that developed countries like Canada and the U.S. have also benefited tremendously from lower consumer prices.

What should investors do?

In the coming months, developments surrounding the tariff and trade situation are likely to continue unfolding, and investors should be prepared for related market volatility. Yet, periods of disruption are a recurring feature of modern capital markets. While the current environment may feel uncertain, history has shown that free-market economies are remarkably resilient and capable of adapting over time. This time is likely no different.

¹ <https://www.cnbc.com/2025/05/09/chinas-exports-jump-us-tariffs-imports-tumble.html>

² <https://www.cnbc.com/2025/04/11/heres-how-much-a-made-in-the-usa-iphone-would-cost.html>



More on the golden age: Nine ways life has dramatically improved

With everything going on, it's easy to get consumed by the prevailing negativity. We all may benefit from a reminder: we are living through one of the most prosperous times in history. A longer-term perspective reveals a balanced story—one of progress, resilience and improvement.

Here are nine ways life is better:

- 1. Poverty is at historic lows.** Just 200 years ago, 85 percent of the world's population lived in extreme poverty. In 1990, that figure was still around 36 percent. Today, it is less than 9 percent, and 75 percent of the world lives in middle-income countries.¹
- 2. Life expectancy continues to grow.** In 1800, many wouldn't live past the age of 40. By 1900, the average Canadian life expectancy was just 50 years. Today, it has increased to over 82 years—bringing new meaning to the word “retirement.”²
- 3. We enjoy modern conveniences.** In 1870, the share of homes with electricity was zero. Today, over 99 percent of Canadian homes have access to electricity and running water. In 1954, only 20 percent of Canadian households had a TV; today, over 90 percent do. Globally, over 70 percent of people own a smartphone.³
- 4. Deaths from disease have significantly declined.** In 1900, more than 37 percent of deaths were caused by infectious diseases; today, that figure is around 1.6 percent.⁴
- 5. Efficiency has improved.** Innovations like the washing machine, dishwasher and microwave are often taken for granted, but they've saved hours of labour. In 1920, doing laundry could take 11.5 hours per week.⁵ Today, we can order food, book a ride/taxi, track our health or pay a bill—all via our smartphones.
- 6. The cost of necessities has fallen.** In 1961, Canadians spent over 56 percent of their income on food, shelter and clothing. Today, that has fallen to just over one third.⁶
- 7. We are more wealthy.** As household income has increased, baby boomers have become the wealthiest generation in history. Decades of economic growth, combined with appreciating real estate and equity markets, have helped build substantial wealth.⁷ Canada's household wealth is at an all-time high and every generation has seen growth in the past year.⁸
- 8. We are better educated.** In 1920, the global literacy rate was about 12 percent; today, it's over 87 percent. Canada ranks among the highest globally in post-secondary educational attainment.⁹
- 9. “Luxuries” are more accessible.** Consider that in 1950, airline travel was largely out of reach for many; long-distance travel often meant trains or steamships. A flight from New York to London could take up to 15 hours and cost the equivalent of over \$8,500 today.¹⁰

A longer-term view reminds us of our progress: Income and quality of life are up; disease and mortality have fallen. Necessities and luxuries are more affordable. Despite current economic challenges, Canada provides a high quality of life, thanks to healthcare, education, safety and personal freedoms. We benefit from clean air and water, political stability, low crime and an inclusive society.

The same may be said for investing: Investors continue to benefit from the long-term growth of the financial markets. Despite recessions, wars, pandemics, bear markets and many other economic disruptions, the S&P/TSX Composite has returned 2,174 percent over the past 50 years—an annualized return of 6.4 percent, or 9.9 percent with dividends reinvested.¹¹ Progress is rarely linear—but it continues! Continue looking forward.

1 <https://www.worldbank.org/en/publication/poverty-prosperity-and-planet/>; “Factfulness,” H. Rosling, Flatiron Books, April 2018

2 <https://www.statista.com/statistics/1041135/life-expectancy-canada-all-time/>

3 https://www150.statcan.gc.ca/n1/pub/11-402-x/2007/40000/ceb40000_001-eng.htm; (2023) <https://www.statista.com/topics/840/smartphones/>

4 <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1310014101>

5 <https://www.bls.gov/charts/american-time-use/activity-by-hldh.htm>

6 <https://www.fraserinstitute.org/sites/default/files/canadian-consumer-tax-index-2024.pdf>

7 <https://money.com/wealthiest-generation-baby-boomers/>

8 <https://macleans.ca/society/the-jackpot-generation/>

9 <https://financialpost.com/wealth/canadian-households-worth-more-million-2024>

10 <https://www.weforum.org/stories/2022/09/reading-writing-global-literacy-rate-changed/>

<https://gpseducation.oecd.org/CountryProfile?primaryCountry=CAN&treshold=10&topic=E0>

11 \$6,400 in 2012 dollars. <https://www.cnn.com/travel/article/golden-age-of-air-travel-downsides/index.html>

12 S&P/TSX Composite 3/31/1975 to 4/8/2025

When did you last review your registered plan beneficiaries?

Beneficiary designations matter more than you might think. Often overlooked after accounts are opened, the way you name beneficiaries for registered plans—such as RRSPs, RRIFs and TFSAs¹—can affect the efficiency, tax implications and distribution of your assets. Consider reviewing these designations to ensure they still align with your objectives.

Why name a beneficiary?

Designating a beneficiary offers several advantages:

1. **Ease of transfer** — Plan assets can pass directly to the beneficiary, bypassing the probate process, which often delays distribution.
2. **Reduced estate costs** — Probate or estate administration fees may be avoided (depending on the jurisdiction).
3. **Flexibility** — Beneficiaries can differ from those named in a will.

Tax implications of beneficiary designations

Naming certain beneficiaries can defer or reduce taxes on registered plans:

- › **Tax deferral** — Tax can generally be deferred if the RRSP/RRIF beneficiary is the deceased annuitant's: i) spouse/common-law partner; ii) financially dependent (grand)child under the age of 18; or iii) financially dependent mentally or physically infirm (grand)child of any age.
- › **Tax minimization** — Naming a registered charity as a beneficiary may generate a charitable tax credit to offset taxes due on the plan.

A reminder: The “successor” designation

For RRIFs and TFSAs, naming a spouse/partner as a “successor,” rather than a “beneficiary,” offers additional tax and administrative advantages:

- › **RRIF successor annuitant** — The successor can continue operating the RRIF as the new annuitant, with the minimum annual payment remaining the same as established for the deceased. The successor can transfer the RRIF to another RRIF in their own name (or RRSP if not yet 71).

- › **TFSA successor holder** — Income earned in the TFSA continues to be tax-free for the new successor holder (assuming no excess contribution). The successor can operate the account into the future, but new contributions are subject to their own TFSA contribution room.

When was the last time you reviewed account beneficiaries?

Regularly reviewing and updating beneficiary designations helps keep your estate plan aligned with your wishes, protects loved ones and can maximize what you pass on. If you haven't reviewed yours recently, now is a great time. Please get in touch, and always consult legal and tax professionals to ensure your designations support your broader estate planning goals.

Three common beneficiary designation mistakes

1. **Not aligning beneficiary designations with your estate plan.** Ensure plan designations are considered within an overall estate plan. If equalizing an estate among multiple beneficiaries, maintain detailed records and seek legal/tax advice to understand how taxes may impact each heir.
2. **Failing to update beneficiary designations.** Major life events—like death or divorce—can affect your choices. Review designations regularly. If a named beneficiary passes away before you and no contingent beneficiary is named, the proceeds typically become part of your estate.
3. **Naming a spouse/common-law partner as a “beneficiary” instead of a “successor holder.”** This can potentially lead to administrative complications or tax consequences. For instance, with a TFSA, if a spouse is named as a “beneficiary” (not as a “successor holder”), any income earned in the TFSA after the holder's death may be taxable.

¹ Note: In Quebec, beneficiary designations are generally not recognized on these plans. Related assets are distributed through the individual's will or marriage contract.



Protecting you & others: Six practical ways to protect from scams

From fake job offers to impersonated loved ones, the range of scams continues to grow. With the rise of generative AI, scams are more convincing and easier to produce at scale. In a recent newsletter, **we shared** tips on protecting against phishing. Here are some other practical ways to help protect yourself and others. Please feel free to share this with younger family members or those more vulnerable:

1. Pause before you react. Scammers often rely on urgency or emotional pressure—though sophisticated scams may involve building trust over time. Slowing down can help prevent you from making mistakes.

- › **Be skeptical of any message or caller that pressures you to act immediately**—especially those involving money or personal information.
- › **“Take Five, Tell Two:”** If you’re unsure, pause for five minutes and speak to two trusted people.

2. Let technology work for you. Leverage built-in tools and settings to screen out threats. Given our significant daily use of smartphones, here are a handful of ideas relating to mobile phones:

- › **Block unknown callers or let them go to voicemail.** Legitimate callers will leave a message.
- › **Silence calls from unknown numbers** to avoid answering by accident. For the iPhone, go to Settings > Apps > Phone. Scroll down to “Calls.” Tap “Silence Unknown Callers.”
- › **Use your carrier’s screening tools.** For example, Rogers offers “Call Control,” requiring callers to enter a randomly generated number before the call connects to block automated robocalls.
- › **Set up a filter on phones** to sort unknown texts into a separate folder to avoid accidental replies and reduce clutter.
- › **Never reply** to unknown calls or messages—doing so confirms your number is active.

3. Limit what you share. The less information you put out there, the harder it is for scammers to target you.

- › **Never share personal or financial information** unless you’re certain of the recipient’s identity and the communication channel is secure.

- › **Reduce your digital footprint.** Delete unused online accounts to reduce access in case of a data breach.
 - › **Avoid posting personal details on social media**, like birthdays, addresses, travel plans or family member names.
 - › **Set online privacy settings to the highest level.**
 - › **Be cautious when filling out online forms or surveys**—always verify the source first.
- 4. Use good payment practices.** Be thoughtful about how and where you send money.

- › **Use payment methods with fraud protection**, such as PayPal, when sending funds to unfamiliar recipients. Avoid wire transfers, gift cards or Interac e-transfers for unfamiliar transactions.
- › **Use separate email addresses or usernames for less secure transactions** to protect your identity online.

5. Add a layer of personal security. Proactive steps can make it harder to impersonate you or your loved ones.

- › **Create a family code word** to verify the identity of anyone claiming to be a loved one in distress. If a caller can’t provide the code word, hang up.
- › **Consider using a dedicated email address** exclusively for financial and banking transactions.
- › **For added privacy, some use “alternate” birthdates or slight name variations** when registering for non-financial services—to conceal private data and limit exposure of personal information.

6. Stay informed. Fraud tactics have become more sophisticated and continue to evolve rapidly.

- › **Follow trusted resources** such as the Canadian Anti-Fraud Centre to stay updated.
- › **If you suspect a scam, report it**—you could help protect others.

Staying alert, using smart tools and talking to others can go a long way in protecting yourself from fraud. If you have questions or concerns, don’t hesitate to reach out—your security is a priority.

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