

[Date]

[Firstname Lastname
123 Main Street
City, Province POSTAL]

Successful Minority Buy (More) When Markets are “On Sale”

Dear Firstname:

Most Canadians spend thousands a year on loan payments to purchase consumer items and vehicles that *decrease* their financial wealth. Properly understood and implemented responsibly, borrowing can also be used to purchase investments to *increase* wealth. This concept, called leveraging, has been used by the rich forever to make themselves richer.

Government Clarifies that Interest Expense is Tax Deductible

It is important to understand that whenever you borrow to invest outside of RRSPs, the interest expense is tax deductible. In a recent interpretation bulletin, the government has clarified that when an investor borrows to invest in mutual funds, the interest expense is generally tax deductible.

Please find enclosed a complimentary copy of *Dispelling the Myths of Borrowing to Invest*, by Talbot Stevens. This brief booklet will help you understand why **investors benefit from leverage when equity returns are about two-thirds of the interest expense**.

To learn more about the potential benefits and risks of borrowing to invest in, or outside of RRSPs, call (416) 123-4567 to schedule an appointment with me personally.

I will help you understand this controversial strategy, so you can make an informed decision about whether conservative leveraging makes sense as an integrated part of your financial plan.

Sincerely,

John Brown, Financial Consultant
ABC Financial Inc.

Enclosures