



BridgeForce Financial

presents

Smart Debt Strategies: Increase Your Business Like a Top Producer

by **Talbot Stevens**

Author of "The Smart Debt Coach"

www.SmartDebtCoach.com





Key to Financial Success

“The key to success is not what you know, it's what you do.”

Talbot Stevens



- Pre-commit to ACT

© Talbot Stevens

New, Simple Way to Boost Retirement Savings

- Behavioural silver bullet: automatic execution
- Most valuable three words
- Overdue, win-win-win upgrade ...
 - ◆ **Pay yourself first and inflate**
- p-Pamphlet

© Talbot Stevens

Getting From A to B



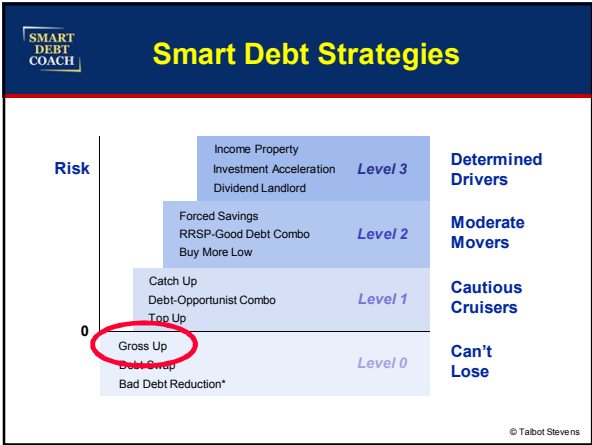
© Talbot Stevens

Do You Borrow to Invest?

- Who uses investment debt?
 - ◆ Personally
 - ◆ With clients
- Toronto Star article, 2015JA26, "Why borrowing to invest makes sense"
 - ◆ Online survey: "Do you borrow money to make investments?"
 - ◆ What portion of readers borrow to invest?

© Talbot Stevens







Key RRSP Concept

With 40% tax ...

\$3,000
to invest
(after tax)

=

?

(in RRSP)



© Talbot Stevens

RRSP Refund Strategies

With 50% tax ...

\$1,000
to invest
(after tax)

→

Spend refund

\$1,000
in RRSP
(before tax)

\$500
after tax



© Talbot Stevens

RRSP Refund Strategies

With 50% tax ...

\$1,000
to invest
(after tax)

→

Reinvest refund

\$1,500
in RRSP
(before tax)

\$750
after tax



© Talbot Stevens

RRSP Refund Strategies

With 50% tax ...

\$1,000
to invest
(after tax)



Gross Up refund

\$2,000
in RRSP
(before tax)

\$1,000
after tax



© Talbot Stevens

RRSP Refund Strategies

With 40% tax ...

\$3,000
to invest
(after tax)



Gross Up refund

\$5,000
in RRSP
(before tax)

\$3,000
after tax



© Talbot Stevens

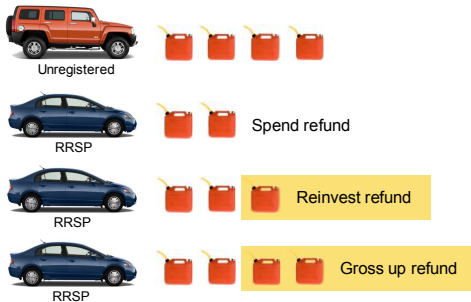
Investing Equivalent "Grossed Up" Amount

- Use a "Gross Up" loan where the refund totally pays off the loan. With 40% tax ...

\$3,000	own
+ \$2,000	loan
<hr/>	
\$5,000	RRSP --> \$2,000 refund

© Talbot Stevens

Which Will Go Farther?



© Talbot Stevens

Don't Put Dry Pasta in Your RRSP

- \$1 to invest equates to 25-100% more in RRSP
- Simple win-win: only put fully-cooked pasta in your RRSP
 - ◆ Reinvesting refunds is better, but is not full equivalent amount
 - ◆ If don't, could be better not using RRSPs

© Talbot Stevens

Concept Assessment

- What portion of investors understand this?
- Would they benefit from it?
- Would it increase **your** business, in a client-first way?
 - ◆ Would it increase your perceived value?

© Talbot Stevens

Roll Out to Clients

- Steer to www.SmartDebtCoach.com/pasta
 - ◆ Free chapter from book
 - ◆ Free Gross Up calculator
- Distribute p-Book (personally branded PDF) of this concept (and others)
- Use a Desk Card

© Tabbot Stevens

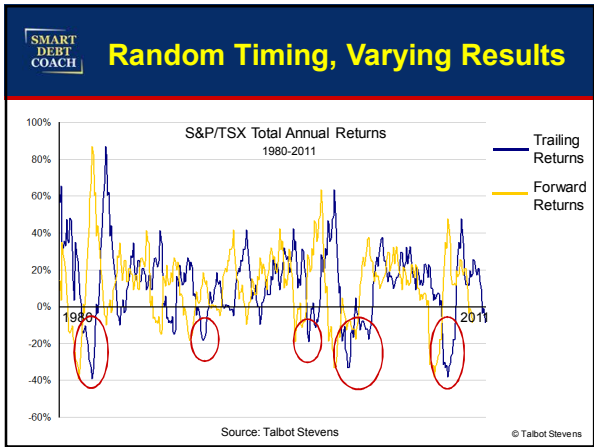


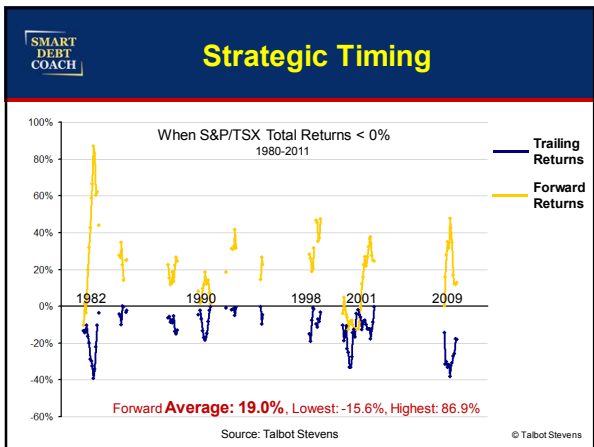
Smart Debt Strategies



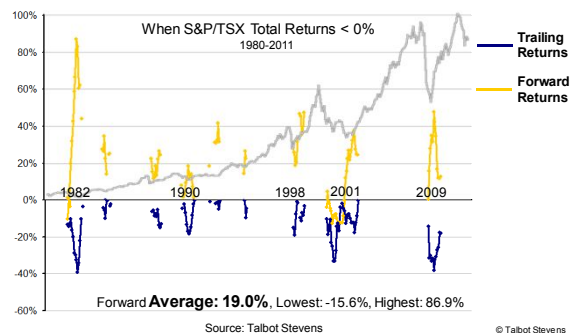
© Tabbot Stevens



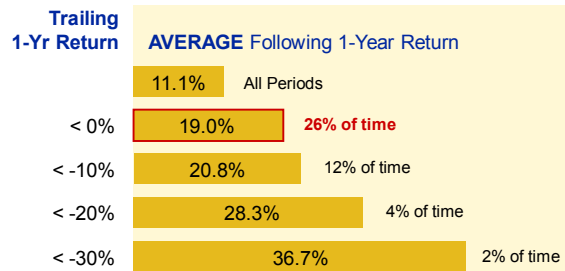




Strategic Timing

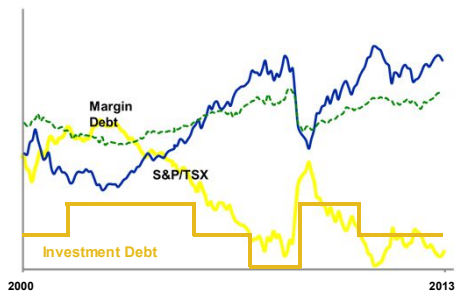


More Profitable to Buy Low

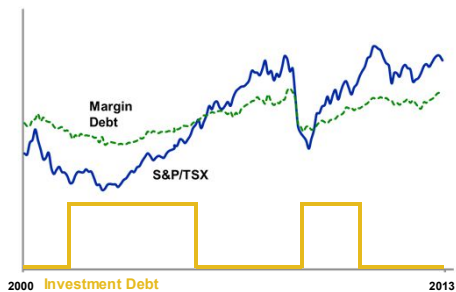


S&P/TSX Total Return monthly data, 1956-2011 (648 periods)
Source: Talbot Stevens © Talbot Stevens

Is There a Better Way?



Is There a Better Way?



© Talbot Stevens

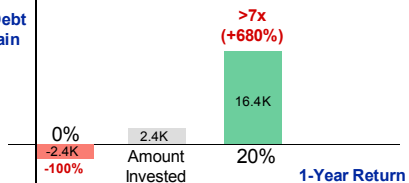
Buy More Low Implementation

- Only strategically, temporarily use investment debt when market is “on sale”
 - ◆ Dollar cost average rest of time
- Emotionally/behaviourally easier, safer
 - ◆ For clients, advisor, dealer, compliance, credit department, and regulator
- Set action plan in advance

© Talbot Stevens

Buy More Low Example

Good Debt
1-yr Gain



\$100K of investment debt for 1 year at 4% interest, 40% tax.
Source: Talbot Stevens' Leverage Professional software

© Talbot Stevens

Concept Assessment

- What portion of clients could benefit from “Buy More Low?”
- Would it increase your business, in a client-first way?
- *Who wants to be part of a pilot group to develop a “Buy More Low” process?*

© Talbot Stevens

Next Steps

- Read *The Smart Debt Coach*
 - ◆ 20+ client-first ideas to increase business
- Personal Action Plan handout
- **Email talbot@TalbotStevens.com** for ...
 - ◆ Presentation slides
 - ◆ Buy More Low concept, including pilot
 - ◆ Free 6-mn Leverage Pro software license
 - ◆ “*Help a Friend*” Marketing System
 - ◆ Opt in to receive more business ideas
 - ◆ “Start Today” advisor discounts, or all of above

© Talbot Stevens

Poll of Views

- How many ...
- Feel *Smart Debt* strategies benefit clients?
 - Gained some ideas to ...
 - ◆ Add value to clients?
 - ◆ Grow business?
 - Will *ACT* to implement some concepts?
 - ◆ Personally
 - ◆ For appropriate clients

© Talbot Stevens
