

A&Q Update

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'Meet the Manager' Events

On December 1, 1999 and January 19, 2000 we will be hosting two 'Meet the Manager' events. These events will give you a chance to meet mutual fund company representatives, and to hear them speak on investment related topics. Time will be available for the representatives to address your questions.

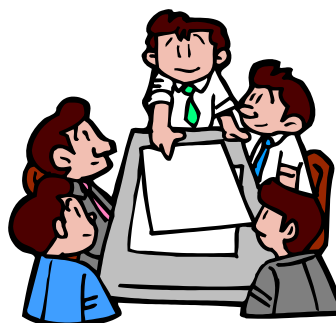
Our first event will be held on Wednesday, **December 1, 1999**. Our featured speaker is Doug Culp of **Synergy Mutual Funds**. In his presentation Doug will focus on some of the different management styles used in operating a mutual fund. Doug is sure to make the dis-

cussion interesting.

Our second event will take place on Wednesday, **January 19, 2000**. We will be discussing RSP Eligible Foreign Funds with Carey McIntee of **BPI - CI Mutual Funds**. Carey will elaborate on why maximizing foreign content is important, and how these funds can help your RRSP.

Sessions will take place in the Weber Room on the lobby level of our building. Both will start at 7:00 PM and will run until approximately 8:30 PM. Refreshments will be provided. Feel free to bring along a friend!

To register please



Join us for our upcoming sessions December 1 & January 19.

call Rich Weiler at 576-5766 or e-mail richw@a-q.com

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Worthwhile stops on the information highway...

www.hrdc-drhc.gc.ca/isp

This site provides information on Canada Pension Plan and Old Age Security. Some forms are even available online.

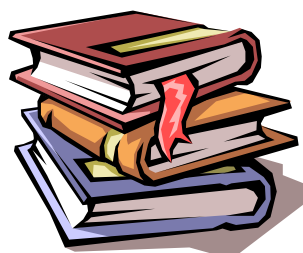
www.canada411.sympatico.ca

If you need to find a phone number, try this site. It's fast and it's free.

Coming Soon...The A&Q Client Library

We are in the process of putting together a collection of books on personal finance. These books will be available on loan to clients and will cover a wide range of topics. A list of the books will be forwarded to you in

the near future. If there are any publications you have found particularly useful, please let us know so that we can make them available as part of our collection.



MRS Offers High Interest Savings Account Option

MRS Trust has recently introduced their High Yield Plus Account. This is simply a deposit account for your cash savings. The High Yield Plus Account offers some significant benefits:

- Interest rates considerably higher than regular bank accounts (4.25% at the time of publishing)
- No minimum deposit amount
- No fees or service charges
- No minimum term
- Access to the money by phone or

through your financial advisor

- Timely withdrawals - requests received by 10:00 am will typically be deposited into your bank account the following business day

- Accounts can be set up by phone

These accounts are excellent for saving for major purchases like cars, furniture, vacations etc. They are also an excellent place to pool money prior to investing. The money is insured up to \$60,000 per account by the Canada Deposit Insurance Corporation (CDIC). High Yield Plus Accounts offer both a

high degree of liquidity and an attractive interest rate.

Contact our office if you would like further information on this great new savings vehicle.



100% RRSP Eligible Foreign Funds

Although only 3% of the world's wealth resides in Canada, RRSP regulations require that you invest 80% of your retirement savings here. Although Canada offers some great investment opportunities, it makes sense to diversify your retirement portfolio to take advantage of global opportunities.

With this in mind, many mutual fund companies are offering funds which invest worldwide yet are 100% eligible

for your RRSP. Through a conservative investment strategy using Government of Canada Treasury Bills to secure futures contracts, you can now gain exposure to the bond and stock markets of countries such as the US, UK, Germany, Switzerland, Hong Kong, Japan and others.

These funds are sometimes referred to as 'clones' because they reflect the performance

of an underlying foreign mutual fund. RRSP Eligible Foreign Funds will be the

topic of discussion at our January 19th 'Meet the Manager' Event with Carey McIntee of BPI-CI Mutual Funds (see the cover story for details).

Increase the diversification of your RRSP portfolio without having to worry about foreign content regulations.

A Great Day in Niagara!

On October 16th we held our annual customer appreciation event. The weather was exceptionally beautiful, making our time in Niagara very pleasant.

Hernder Estate Winery, outside St. Catharines, offered a very informative tour and tasting followed by an excellent buffet lunch. Our group was impressed with both the facilities and the products Hernder had to



offer.

Although it was a busy spot, Niagara-on-the-Lake was an extremely nice place to be on a perfect Indian Summer day. Our group spent time wandering around the shops before heading to Niagara Falls. We made an impromptu stop at Casino Niagara before attending the 'Oh Canada Eh?!' Dinner Theatre. A log cabin houses the large room where we were

served and entertained by 'Canadiana' type characters. All the songs performed were written by Canadians and the menu reflected the national identity in a 'tongue in cheek' kind of way. This evening of comedy and music is well worth the visit.

Thanks to all who attended. We look forward to next year's outing.

The Y2K Problem

The Year 2000 Problem, also known as the 'Millennium Bug', is a result of computer programmers representing the year using two digits rather than four (e.g. '99' for '1999'). This short-sighted coding becomes a problem as we enter the Year 2000. Many older computers and devices with embedded electronics from the 70s and 80s will recognize '00' as 1900, not 2000. This date representation can cause errors in the functioning of the equipment in question.

What impact will this have on you as an investor? The good news is that the Canadian financial services industry has been working hard on this problem since 1997. Canadian banks for example are considered to be among the world leaders in terms of Y2K readiness. Regarding the investment industry, a CSA press release of June 16, 1999 stated "The securities and mutual funds industry have successfully passed the Y2K test... We would have to give them full marks."

The majority of repair efforts commenced in early 1998, with 1999 being used for extensive testing and validation of equipment. Testing in fact will continue well into 2000 to ensure long-term effectiveness of the systems.

Mutual fund suppliers are obligated to file Y2K information with a number of regulatory bodies, including the Ontario Securities Commission (OSC) and the Toronto Stock Exchange. Contingency plans have been developed to deal with any problems which might arise as a result of the Y2K problem. This includes seeking alternate vendors and service providers should they be required.

In terms of investment decisions, money managers have also been considering Y2K readiness in their acquisitions. Mackenzie Financial, for example, states their position as follows: "In applying due diligence, our portfolio managers consider Y2K compliance status important, but by no means the only factor under consideration in making investment decisions."

Armstrong & Quail has also been actively involved in testing both hardware and software critical to the servicing of our clients. Our investment tracking program, Winfund, is Y2K certified and continues to be verified by on-

going testing. As a back-up measure we will be printing a hard copy of all client investment holdings at the end of 1999. This copy will be placed in your file and will be made available to you on request.

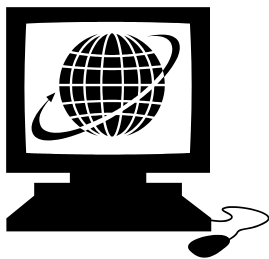
We believe that any difficulties resulting from the Y2K problem will be short-term. Ultimately the effect will be nil. As a result of emotional factors, we do expect that markets may be somewhat volatile as we approach the Millennium. As always, keep in mind that your investments are part of a long-term strategy. In fact, anyone wishing to take advantage of this volatility could consider a 'dollar cost averaging' strategy.

If you have any questions concerning the Year 2000 Problem, please do not hesitate to give us a call.

**"The securities and mutual funds industry have successfully passed the Y2K test...We would have to give them full marks."
CSA Press Release, June 16, 1999**

Client Statements Now Available Via Internet

You can now access information on your Armstrong & Quail Account over the internet. Current statements can be viewed on-line in several formats. You can see a consolidated statement listing only the fund balances, or you can see several months worth of account transactions. The



software also allows you to print out a copy of your statement.

The system ensures a high degree of security. Each user is issued an individual client logon and password.

If you would like to register

for web access to your account, please give John Armstrong or Rich Weiler a call. The set-up process takes only a few minutes and can be done over the phone. There is no charge for this service.



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John Armstrong is a Certified Financial Planner. Financial planning and financial planning education are his key areas of interest and expertise. John's greatest experience is in the retirement planning area.

Achieving balance in your life is critical. A balance between work and family. A balance between living for today and planning for the future. We all have competing goals. Striving for balance influences so many decisions in our day-to-day lives. One thing is certain, the juggling act we all do requires a long-term view. Sometimes we need to take a step back to put things into perspective. It may sound cliché, but having a plan in place goes a long way in helping you achieve both your long and short-term goals.

Simply put, planning assistance is the service we provide. We are committed to the planning process.

We're on the Web!
www.a-q.com

Welcome and Thank You!

We would like to welcome those clients who have joined us in the last few months. We look forward to working with you. If you have any questions concerning the services we provide or your specific situation, please do not hesitate to give us a call.

A special word of thanks goes out to those clients who have mentioned us to friends or family. Referrals from existing clients is in fact the primary source of growth for our business. We appreciate the vote of confidence you give us when you suggest to someone that they give us a call. One of our highest priorities is to provide a level of service that ensures you continue to feel comfortable recommending our firm to

others. We want you to know that the people you refer to us will be well treated.

If you have any thoughts on ways we can improve our service, we would like to hear from you. Suggestions regarding things like account statements, client mailings, seminar topics, customer appreciation events, and newsletter content would be much appreciated.

In the past we have sent out client survey forms. While it is possible we may do this again in future, we have received feedback indicating that many people are losing patience with the sheer volume of surveys that are asked to complete. For now we will leave it at a sim-

ple request: Please contact us should you have any questions, concerns, or sugges-



tions. Thank you once again for your ongoing support.

Note: Mutual funds are sold by simplified prospectus only. Before investing, obtain a copy of the prospectus and read it carefully. Unit values and investment returns for mutual funds will fluctuate. Funds are sold through Armstrong & Quaile Associates Inc.