

# NEWCOMERS



Money working for people



## WELCOME

If you are moving to Canada, or planning to settle here:

This kit contains plenty of useful information that could help you out. It also offers a description of the basic financial services you will need.

## SYNONYMOUS WITH TRUST

The largest financial institution in Québec, Desjardins is renowned for its expertise and the scope of its offering. It is also one of the largest in Canada, and among the top 100 in the world, with assets in excess of \$143 billion.

Founded in 1900, Desjardins Group has more than 5.8 million members, who are both its clients and its owners. Desjardins offers them and you a full range of financial products and services.

The organization stands out as the largest private employer in Québec, with 40,000 employees.

Its stable position and high quality operations have earned Desjardins AA+ rating, the highest granted to a Canadian financial institution by the rating agency Moody's.

## THE COOPERATIVE DIFFERENCE

Desjardins is more than a bank: it's the largest integrated cooperative financial group in Canada!

From the moment your application for membership is accepted by the caisse, you become a member. This means you can attend annual meetings, and even, under certain conditions, stand for election to become an officer at your caisse.

In addition, each year a caisse may decide to return a portion of its surplus earnings to its members in the form of a member dividend. This is cash back that you can use as you see fit. In 2006, member dividends returned to members in this way totalled \$547 million.

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## SOCIAL SOLIDARITY – BOTH HERE AND ABROAD

Every year, Desjardins puts millions of dollars back into the community, with numerous scholarships, bursaries, donations and sponsorships.

One of its components, Développement international Desjardins, has been active for 35 years in some 20 countries in Africa, Asia, Latin America, and Central and Eastern Europe, supporting the establishment of local, community-based financial institutions.

## ONGOING RELIABILITY

With their vast array of skills, Desjardins advisors are proud to welcome you, serve you and support you through every step of your financial life.

Your advisor understands your situation and your needs.

# FIRST STEPS

Upon your arrival, you will need to:

- Change your money for Canadian dollars
- Open an account at a financial institution
- Find a place to live
- Get:
  - A social insurance number
  - A provincial health insurance card
  - A driver's licence
- Depending on your situation, sign up for a private health insurance plan
- Make steps to find a job
- Learn more about your neighbourhood and region
- Find a family doctor
- Enrol your children in school
- Take any necessary additional skills development training courses
- Become familiar with the Canadian legal system

## MAKE SURE YOU HAVE ENOUGH LIQUID ASSETS

Arrive with cash or traveller's cheques, which can be deposited immediately.

A credit card is also a good thing to have.

Certified cheques or bank drafts from non-Canadian bank accounts tend to be less practical and can sometimes lead to a freeze on funds of up to 30 days.

## RESOURCES

### **Immigration Québec**

[www.immigration-quebec.gouv.qc.ca](http://www.immigration-quebec.gouv.qc.ca)

Tel: 1 877 864-9191

### **Immigration Canada**

[www.cic.gc.ca](http://www.cic.gc.ca)

Tel.: 1-888-242-2100

### **Autorité des marchés financiers du Québec**

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

### **Emploi Québec**

[www.emploi.quebec.net](http://www.emploi.quebec.net)

# THE CANADIAN FINANCIAL SYSTEM

Firmly supported by strict government regulations, the Canadian financial system protects your money and helps you ensure that it grows.

## CURRENCY

The Canadian dollar (\$ CA, CAN or CAD), which is legal tender in Canada, is divided into 100 cents.

The Bank of Canada circulates:

- Coins with the following denominations: 1, 5, 10 and 25 cents, and 1 and 2 dollars
- Banknotes with the following denominations: 5, 10, 20, 50 and 100 dollars

To get a better idea of their value, you can use the converter below:

[www.desjardins.com/currency](http://www.desjardins.com/currency)

### CHEQUING ACCOUNT

You can deposit and withdraw money and carry out other transactions.

Deposits are automatically insured up to \$100,000.

Only Desjardins caisses and banks offer such accounts. You cannot open one at a post office.

### CHEQUES

In certain European countries, many transactions are settled by cheque. This is less common here and you may find that some places do not even accept personal cheques as a form of payment. Don't see it as a sign of mistrust, but simply as Canadian commercial habit.

Automated transactions, outlined on the opposite page, are more commonly used.

To pay for certain goods or services in advance (your rent, for example), a cheque can be post-dated, which means that it carries a later date on it and can only be cashed after that time.

### SOLVENCY RATING

Traditionally, your financial institution or even a merchant you are dealing with will make sure that you are sufficiently solvent by verifying your credit rating.

This shows the institution or merchant how well you settle your financial obligations. Don't hesitate to consult a Desjardins advisor on the subject.

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## AUTOMATED TRANSACTIONS

These are gaining in popularity and Desjardins is, without a doubt, a leader in the field.

- **Debit cards**

Chequing account holders generally also have a debit card, which comes with a personal identification number (PIN), as a security measure.

The card can be used to access the holder's account through an automated teller machine (ATM) or an in-store or point-of-sale (POS) payment terminal, to withdraw money or pay for purchases.

Canadian institutions belong to the *INTERAC*<sup>™</sup> network, which makes these transactions available throughout the country.

- **Credit cards**

As opposed to current practice in many other countries, Canadian credit cards are generally not connected to your bank account.

Commercial establishments and major electronic financial networks accept most widely known cards.

Using a credit card, you can purchase goods and spread your payments, subject to an interest charge.

Each month, you receive a detailed account statement. By paying off the balance as soon as possible, you limit the amount of interest you pay, which is set at higher rates than consumer loans.

- **Chip cards**

Starting in 2008, Desjardins and the entire Canadian payment card industry will be gradually adopting chip cards.

This technology, which is already in use in several countries, is the best solution for preventing card-cloning fraud.

It will be applied to debit and credit cards, automated teller machines (ATMs) and point-of-sale (POS) terminals in stores.

- **Internet**

As soon as you open a chequing account, you can carry out confidential and secure online transactions, including money transfers between accounts and recurring bill payments (gas, telephone, electricity, etc.).

You can also view and check your balance and all your transactions.

- **Interbank transfers**

These simplify repetitive transactions such as salaries and the payment of regular bills.

- **Authorized transit**

The caisse sets the amount of each member's authorized transit, so that the member can use certain instruments (such as cheques) to meet his or her needs without the funds being held.

For example, if you deposit a \$700 cheque at the ATM and your authorized transit is \$500, you could withdraw the latter amount immediately, but the remainder (\$200) would be subject to a hold for 6 working days.

The amount of the transit may be revised depending on your financial patterns.

<sup>™</sup> Registered trademark of Interac inc.  
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## SET UP A BUDGET

Compared to other parts of the world, Canadian salaries are quite high. But so is the cost of living.

A budget will make it easy for you to manage your finances and can help you avoid borrowing to stay afloat.

First, list your sources of income.

Employers are generally obliged to deduct the following items from your pay:

- Income tax
- Regular contributions or dues to:
  - The Canada Pension Plan or the Régime de rentes du Québec (Québec Pension Plan)
  - Employment insurance
  - Your union, if applicable
- A company retirement plan, if applicable

These source deductions can represent 25% to 35% of your gross salary.

If you work for yourself, it is advisable to deposit about 30% of your total income into a separate account, to cover these required expenses. See the Guide for Business Start-Up at: [www.canadabusiness.ca](http://www.canadabusiness.ca)

Once you have calculated your net income, you need to list your expenses:

- Rent and related costs (heating, electricity, telephone, insurance)
- Food
- Clothing
- Transportation
- Entertainment
- Luxury items

To balance your income and expenses, you sometimes simply need to select cheaper items, go out less often and opt for public transit.

## A WORD ABOUT TAXES

Canadian tax policy is based on the principle of voluntary declaration.

Each year, you need to prepare an income tax return. If you live in Québec, you need to prepare two: one for the federal government and one for the provincial government.

If the tax you owe is less than what your employer has already deducted from your salary, you will be entitled to a refund.

However, if you owe more than what has already been deducted, you will have to pay the difference.

Upon receipt of your tax return, the federal government will determine if you are eligible for:

- The Canada Child Tax Benefit
- The Goods and Services Tax (GST) Credit

## SAVING MONEY

The ideal budget should leave you with a surplus of income over expenses, which you can use for savings.

By investing in the proper financial products, you can make these savings grow. This will allow you to:

- Provide the necessary down payment (20% of the purchase value) required when you buy a house or open your own business
- Build up capital for your retirement
- Deal with unexpected situations and illness; you should always have the equivalent of three months' salary saved up "just in case"
- Finance your children's and grandchildren's education

# WHAT DESJARDINS CAN OFFER

Desjardins Group offers individuals and businesses an attractive range of accessible, effective and efficient savings and financing products.

Desjardins participates in the Immigrant Investor Program, aimed at business people interested in investing in Canada. You can find details on the following Web site: [www.immigrantinvestor.com](http://www.immigrantinvestor.com)

## UNPARALLELED ACCESSIBILITY

The Desjardins network is the largest in Eastern Canada, with 1,562 service outlets and some 2,800 Automated Teller Machines (ATMs). You're likely to find a Desjardins ATM close to your residence or workplace.

By signing up for the AccèsD service, you can make all your transactions by phone or online, wherever and whenever it's convenient for you.

## TAILOR-MADE FINANCING SOLUTIONS

Mortgage loans: To purchase – or renovate – your first house, condo or rental property.

Personal loan: To carry out a special project (buy furniture, computer equipment, a car...).

Student loans: To finance your studies or those of your children.

Line of credit: To cover urgent expenses.

Credit cards: To pay for everyday purchases.

To find out which financing method is best for you, given your objectives, speak with a Desjardins advisor.

Desjardins is an authorized issuer of VISA credit cards, many of which have no annual fees.

VISA\* Desjardins credit cards are the only cards that offer the Accord D Financing program, which is a second credit limit with a different interest rate from your regular limit.<sup>1</sup>

\* Visa International/Fédération des caisses Desjardins du Québec, authorized user.

<sup>1</sup> Subject to approval by the VISA Desjardins Credit Department.

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## INNOVATIVE INVESTMENT SOLUTIONS

Savings accounts: For your day-to-day transactions or short-term savings.

Fixed-rate or market-indexed guaranteed investments: To benefit from a fixed return or a superior return potential and a 100% capital guarantee.

Mutual Funds: To participate in markets here and abroad.<sup>2</sup>

Government or municipal bonds, stripped coupons: to minimize risk and benefit from an advantageous interest rate

Stocks and bonds: To maximize your investments.<sup>3</sup>

## SOME GOOD ADVICE...

Meet with a financial planner.<sup>4</sup> A financial planner is an expert who can:

- Assess your needs
- Establish your investor profile
- Help you define your objectives
- Offer specific recommendations on how to achieve them
- Develop a clear action plan just for you

If necessary, your financial planner can put you in touch with other Asset Management Services experts.

## ... IN YOUR OWN LANGUAGE!

Many caisses, especially in the Greater Montréal area, have multilingual staff members available to serve you in your own language.

To find them, use our search tool at:

[www.desjardins.com/newcomers](http://www.desjardins.com/newcomers)

## INTEGRATED FINANCIAL GROUP

A leader in the savings and credit market, Desjardins also comprises some twenty subsidiaries active in the following fields:

- Life and health insurance
- Property and casualty insurance
- Securities
- Venture capital
- Asset management

<sup>2</sup> Desjardins Funds are offered by Desjardins Financial Services Firm Inc., a company belonging to Desjardins Group. Desjardins Funds are not guaranteed, their value frequently fluctuates and past performance is not necessarily indicative of future returns. Commissions, trailing commissions, management fees and other costs are all associated with investing in a mutual fund and using an asset distribution service. Please read the simplified prospectus on the funds in which the asset distribution service has invested before you invest.

<sup>3</sup> Offered by investment advisors of Desjardins Securities (CIPF member).

<sup>4</sup> Desjardins Financial Planners act for Desjardins Financial Services Firm, Inc.

## FROM ABROAD

Go to [www.desjardins.com/newcomers](http://www.desjardins.com/newcomers), and fill in account application form. It will be handled with due diligence and care.

## WHEN YOU ARRIVE

To apply for membership, make an appointment with an advisor at a Desjardins caisse located close to your home or your workplace.

Make sure you bring the following items to the meeting:

- A photo ID (ideally, your passport)
- An official residence document or student visa
- The \$5\* you will need to become a member of the caisse (qualifying share)

You will also need to let us know:

- Your address
- If you are renting, the name and address of the building owner

We can give you a temporary cheque book and a Desjardins Access Card (debit card).

With the Access Card you can:

- Identify yourself at the caisse counter
- Take advantage of the ATM functions
- Make electronic payments at participating merchants
- Make online or telephone transactions

\* For the caisses in Québec, qualifying shares cost \$5. This may vary in other provinces.

## MONEY TRANSFERS

If you want to receive money from abroad, your caisse will provide you with a transfer form, and you will need to contact the issuing bank.

If you want to send money to another country, your caisse will ask you for:

- The name, address and institution number of the receiving bank
- The name and address of the recipient, as well as his or her account number.

A fee will apply and the average processing time varies between 2 and 5 days.

## FOR MORE INFORMATION

Consult a Desjardins advisor:  
Call 1-800-CAISSES  
Or visit [www.desjardins.com/newcomers](http://www.desjardins.com/newcomers)



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Committed to sustainable development, Desjardins Group favours the use of paper that is manufactured in Canada in accordance with recognized environmental standards.



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