Sample Plan (Full Plan - all modules)

Prepared For: John & Sarah Hanson

Prepared By: Anne Expert CFP, CLU
Financial Advisor

Date Prepared: June 1, 2012

ABC Financial Group
FINANCIAL SERVICES

Table of Contents

Disclaimer

Figures stated in the attached report are derived based on assumptions and information provided by you, the client. These assumptions and information will change over time. Some of the information presented is based on current tax rules and legislation which are subject to change. Hence, it is imperative that you review your financial plan regularly to ensure it is up-to-date and addresses your current needs. It is also important to look at a few different scenarios to get an idea of the impact of various assumptions on your planning objectives.

Information provided in the attached report is general in nature and should NOT be construed as providing legal, accounting and/or tax advice. Should you have any specific questions and/or issues in these areas, please consult your legal, tax and/or accounting advisor.

Letter of Engagement

- This document is meant to give you, the client, a better understanding of what you may expect from the financial planning process, and what our respective obligations are within that process. In general terms, the financial planning process consists of the following six steps: 1. Define the terms of our relationship 2. Discuss your financial goals and obtain your essential financial data 3. Evaluate your situation based on the information you`ve provided 4. Develop and present a written financial plan for you to consider 5. Implement some or all of the strategies outlined in the plan 6. Monitor and revise the plan as necessary Much of what follows in this document deals with the first point, but you will find information that relates to the other five steps as well.

- I provide comprehensive financial planning services through NAME OF COMPANY, a company that has been established since XXXX for that purpose. We do not charge a fee for our financial planning analysis. What we do ask of you, is that if you decide to implement our recommendations, you allow us to place your investments and insurance. We are paid a commission or a finders fee by the various financial institutions that we place your investments with.

- Since I offer both mutual funds and insurance products, I work in an agent-principal relationship with different companies. All mutual funds are offered through my mutual fund dealer [insert NAME OF DEALER] and I place my insurance business with [insert NAMES OF INSURANCE COMPANIES AND MGAs]. If, subsequent to our initial engagement, there are any changes to my business affiliations or agency relationships that may have an affect on our relationship, I will inform you.

- I am required to declare any interest that may prevent me from offering disinterested advice. I am unaware of any current conflicts of interest and, should any conflicts appear in the future, you may rest assured that I will bring them to your attention immediately.

- I am bound by professional secrecy and may not disclose any of your confidential information without your written consent unless required to do so by law. I will not use any client`s information for personal benefit, regardless of whether or not it actually causes the client harm.

- I am able to offer general advice about life insurance and insurance-related products such as segregated funds, annuities, disability insurance, critical illness insurance and long-term care insurance. Should we, however, decide that you require a particular insurance product, I will refer you to our in-house insurance specialist [insert NAME]. With a Level II insurance licence and more than [X] years of experience in the insurance industry, he/she is better qualified to provide advice appropriate to your situation.

- It has been agreed by all parties that [NAME of CLIENT] and [NAME of SPOUSE] must be present at all meetings and that decisions can only be made subject to their unanimous approval. It is agreed by both the advisor and the client that telephone orders will not be accepted, and that the client must provide his or her signature as authorization for every transaction.

- Before making any recommendation, I must first have a complete picture of your current financial situation. The information I need deals with, but isn`t necessarily limited to, your: assets; liabilities; cash flow; anticipated lump sum income or expense amounts; tax position/returns; will and power of attorney; iInsurance coverage (life and general); group benefits; and pension plans. If I am unable to obtain the information I require, you should understand that it could prevent me from giving you appropriate advice; if this is the case, I may be required to either revise or terminate our engagement.

Letter of Engagement

- When considering the various financial strategies available in your particular situation, I may be required to make one or more assumptions. These assumptions may include, but are not limited to, your anticipated retirement age, life expectancy, retirement income requirements, government benefits, time horizons, special needs, rates of return and inflation and income tax rates. Any assumptions I make will be both reasonable and realistic, and they will be disclosed to you in writing in the financial plan.

- Having reviewed your financial situation, I will prepare a written financial plan for you to review. When discussing this report with you, I will do so in such a way so that you are able to understand: The advantages and disadvantages of the various alternatives; The costs of the various alternatives; The risks involved in the various alternatives; The time sensitivity of recommendations; The consequences of no action being taken; and The impact of a change in the assumptions on the projected results. The client is obliged to inform the advisor if he or she does not understand any of the above points.

- It is agreed that the advisor will conduct a review with the client in person every twelve months.

- The advisor will keep the client informed of important changes through his/her quarterly newsletter. In the event of changes that may affect the client`s personal circumstances (e.g., a change to the Income Tax Act announced in a federal budget), the advisor will contact the client by telephone or e-mail. Should the client`s financial circumstances change (e.g., as a result of marriage, birth of a child, inheritance, etc.), he/she is responsible for contacting the advisor as soon as possible.

Date: ____________________

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John Hanson

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Sarah Hanson

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Anne Expert CFP, CLU, Financial Advisor

The Financial Group

Plan Summary

Net Worth		Cash Flow	
Total Assets	$ 470,000	Family Income (after taxes)	$ 75,831
Liabilities	$ 130,000	Total Expenses	$ 49,400
Your Net Worth	$ 340,000	Your Net Cash Flow	$ 26,431

Asset Allocation Profile	Current	Questionnaire	Recommended
Cash	14%	5%	8%
Bonds	33%	5%	8%
Stocks	39%	80%	72%
Balanced	14%	10%	11%

Retirement Plan

You do not have enough funds to sustain you through retirement.

Additional assets required to fund your retirement:	$ 169,429
Annual investment required to make up the above asset shortage:	$ 4,983

Life Insurance Needs	John	Sarah
Total capital required	$ 1,128,882	$ 1,317,911
Less current capital	$ 587,500	$ 497,500
Life insurance need	$ 541,382	$ 820,411

Disability Insurance Needs	John Disabled	Sarah Disabled
Total annual income sources	$ 89,000	$ 71,000
Less annual expenses	$ 79,503	$ 79,503
Annual income surplus/shortage	$ 9,497	$ -8,503

Estate Planning

Do you have:	John	Sarah
A signed will?	Yes	Yes
A signed power of attorney for financial affairs?	Yes	Yes
A signed power of attorney for personal care?	Yes	Yes

Education Planning	Monthly Investment	Amount to be Funded

Personal Information

personal

First Name	John	Sarah
Last Name	Hanson	Hanson
Birthdate	10/01/1965	16/05/1969
Age	47	43
Marital Status	Married	Married
SIN #		
Employer	Dofasco Inc.	Acme.com
Occupation	Engineer	VP Marketing

address

Street	76 Henison Blvd
City	Winnipeg
Province	Manitoba
Postal Code	R9A 3L5
Country	Canada

know your client

Investment Knowledge	Moderate
Risk Tolerance	Moderate

Contact Information

Home Phone	204-456-7895
Your Work Phone	204-768-3425
Spouse's Work Phone	204-324-2345
Email Address	john.hanson@dofasco.ca
Email Address	shanson@acme.com

Notes

dependents

First Name	Last Name	Birthdate	Age	SIN #
Hannah	Hanson	08/07/2006	5	
Jackson	Hanson	27/12/2010	1	

wills	John	Sarah
Do you have a will ?	Yes	Yes
Date of last update	01/01/2008	01/01/2008
Location of will	Safety deposit box	Safety deposit box

Notes

Personal Information

life insurance	company	insured	coverage amount
Term Life Policy	Transamerica	Client	$500,000
Term Life Policy	Transamerica	Client	$400,000

disability insurance	company	insured	monthly coverage
Long term disability	Dofasco Inc.	Client	$1,000
Long term disability	London Life	Client	$750

other policies	company	insured	coverage amount

notes

advisors	name	telephone
Financial advisor	Terry Bradshaw	204-567-8970
Lawyer	Kyle McLachlan	204-567-8345
Accountant	Adam Kennedy	204-345-3456
Insurance agent	Sandra Robinson	204-345-5778

Financial Planning Process

The Six Step Process of Personal Financial Planning

Personal financial planning focuses on the individual. In order to best serve an individual's needs, the professional financial planning practitioner employs The Total Financial Planning Process comprising these six distinct steps:

Step 1

Clarify Your Present Situation

The financial planner clarifies your present situation by collecting and assessing all relevant financial data such as lists of assets and liabilities, tax returns, records of securities transactions, insurance policies, will, pension plans, etc.

Step 2

Identify Goals and Objectives

The financial planner helps you identify both financial and personal goals and objectives as well as clarify your financial and personal values and attitudes. These may include providing for children's education, supporting elderly parents or relieving immediate financial pressures which would help maintain your current lifestyle and provide for retirement. These considerations are important in determining the best financial planning strategy for you.

Step 3

Identify Financial Problems

The financial planner identifies financial problems that create barriers to achieving financial independence. Problem areas can include too little or too much insurance coverage, or a high tax burden. Your cash flow may be inadequate, or the current investments may not be winning the battle with changing economic times. These possible problem areas must be identified before solutions can be found.

Step 4

Recommendations

The financial planner provides written recommendations and alternative solutions. The length of the recommendations will vary with the complexity of your situation, but they should always be structured to meet the your needs without undue emphasis on purchasing certain investment products.

Step 5

Implement Strategies

A financial plan is only helpful if the recommendations are put into action. Implementing the right strategy will help you reach the desired goals and objectives. The financial planner should assist you in either actually executing the recommendations, or in co-ordinating their execution with other knowledgeable professionals.

Step 6

Monitor and Review

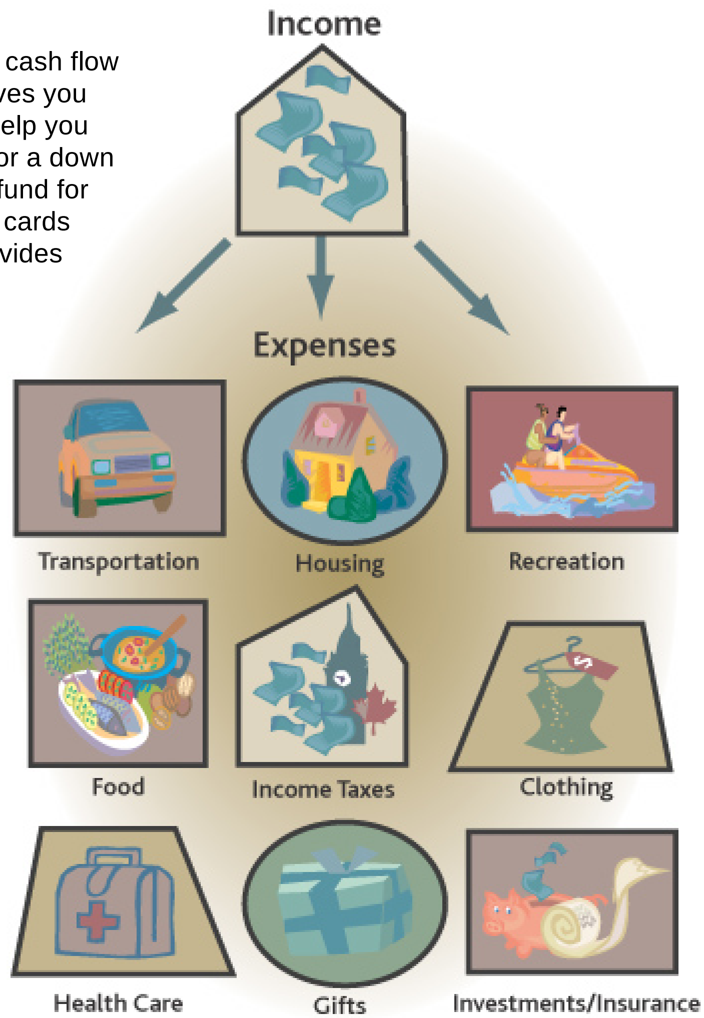
The financial planner provides periodic review and revision of your financial plan to assure that the goals are achieved. Your financial situation should be re-assessed at least once a year to account for changes in your life and current economic conditions.

Your Goals and Objectives

- Maintain your standard of living during retirement.
- Pay less tax.
- Maintain your family's standard of living in the event of your death or disability.
- Become financially independent.
- Preserve your estate for your heirs.
- Provide for your children's education.
- Pay off your mortage and other debts.
- Stay ahead of inflation.
- Earn a higher rate of return on your investments.
- Buy a home or recreational property.
- Learn to invest and manage money wisely.
- Start your own business.

Cash Flow Statement

Why Prepare a Cash Flow Statement?



Controlling your financial affairs requires a budget or cash flow statement. Budgeting and tracking your expenses gives you a strong sense of where your money goes and can help you reach your financial goals, whether they are saving for a down payment on a house, starting a college or university fund for your children, buying a new car, paying off the credit cards or planning for retirement. A cash flow statement provides you with the following benefits:

Know where you stand

A cash flow statement allows you to know exactly how much money you have. The statement shows you how your funds are allocated, how they are working for you, what your plans are for them, and how far along you are toward reaching your goals.

The statement will also:

- Indicate your ability to save and invest
- Let you analyze your standard of living
- Indicate if you're living within or beyond your means
- Highlight any problem areas

Control

A budget is the key to enabling you to take charge of your finances. With a budget, you have the tools to decide exactly what is going to happen to your hard-earned money, and when.

Communication

A budget is a communication tool with other family members to discuss the priorities for where your money should be spent.

Identify opportunities

Knowing the exact state of your personal monetary affairs, and being in control of them, allows you to take advantage of opportunities that you might otherwise miss.

Extra money

A budget may produce extra money for you to do with as you wish. Hidden fees and lost interest paid to outsiders may be eliminated. Unnecessary expenditures, once identified, can be stripped out. Savings, even small ones, can be invested and made to work for you.

John & Sarah Hanson

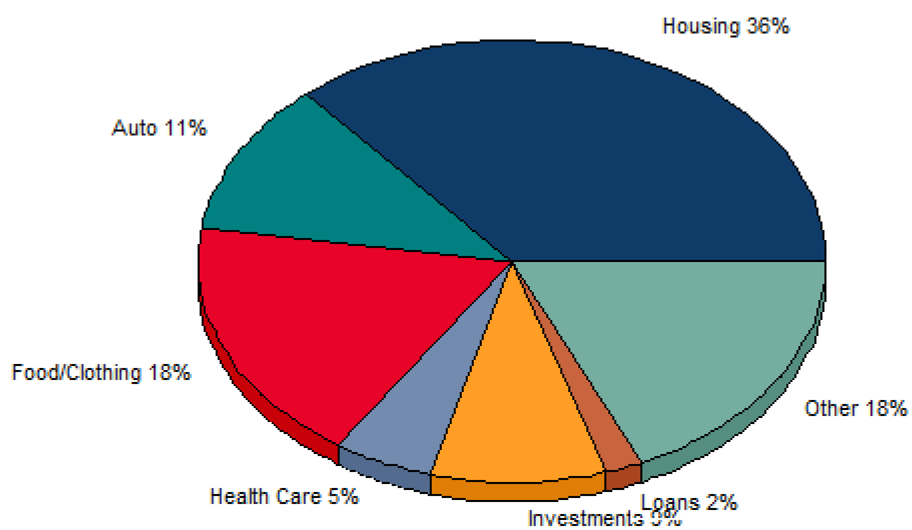
Cash Flow Summary

income	annual amount	percent amount
Family Income (Before-Tax)	$100,000	100%
Income Taxes & Source Deductions	$24,169	24%
Family Income (After-Tax)	$75,831	76%

expenses	annual amount	percent amount
Housing	$17,700	36%
Auto	$5,500	11%
Food/Clothing	$9,000	18%
Health Care	$2,400	5%
Investments	$4,600	9%
Loans	$1,200	2%
Other	$9,000	18%
Total Expenses	**$49,400**	**100%**
NET INCOME	**$26,431**	**26% ***

* Net income as a percentage of Family Income (Before-Tax)

Expenses



Cash Flow Detail

income

John	Monthly	Annually
Employment	$4,167	$50,000
Self-employment		
Investment		
CPP/QPP		
OAS		
Pension		
RRSP/RRIF		
Other		
Other		
Before-tax income	$4,167	$50,000
Income taxes	$1,007	$12,085
Source deductions		
After-tax income	$3,160	$37,915

Sarah	Monthly	Annually
Employment	$4,167	$50,000
Self-employment		
Investment		
CPP/QPP		
OAS		
Pension		
RRSP/RRIF		
Other		
Other		
Before-tax income	$4,167	$50,000
Income taxes	$1,007	$12,085
Source deductions		
After-tax income	$3,160	$37,915

expenses

Housing	Monthly	Annually
Rent/Mortgage	$1,000	$12,000
Property Taxes	$250	$3,000
Maintenance	$42	$500
Insurance	$42	$500
Utilities	$100	$1,200
Other	$42	$500
Totals	$1,475	$17,700

Food/Clothing	Monthly	Annually
Food	$500	$6,000
Clothing	$250	$3,000
Other		
Other		
Other		
Totals	$750	$9,000

Automobile	Monthly	Annually
Fuel	$83	$1,000
Maintenance	$42	$500
Insurance	$83	$1,000
Loan/lease pmts	$250	$3,000
Other		
Totals	$458	$5,500

Health Care	Monthly	Annually
Plan premiums	$200	$2,400
Prescriptions		
Medical		
Other		
Other		
Totals	$200	$2,400

Cash Flow Detail continued ...

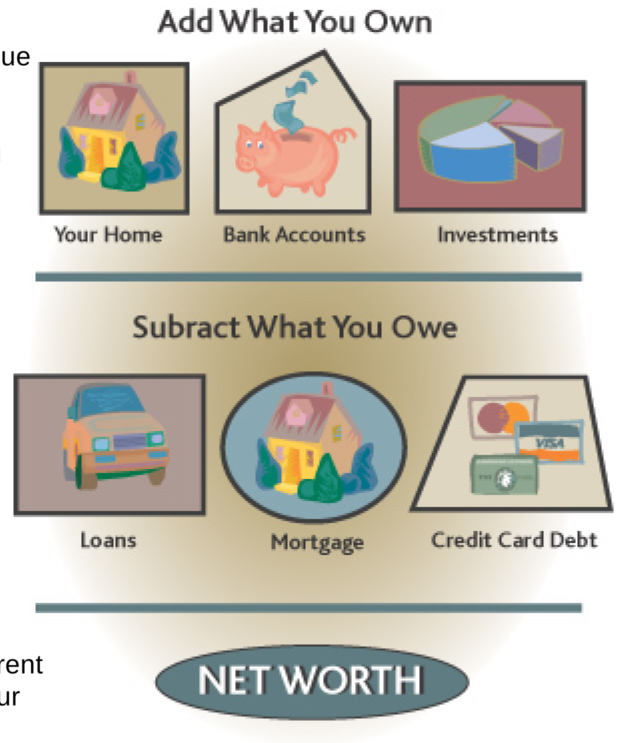
investments	monthly	annually
RRSPs/RPPs	$250	$3,000
Non-registered	$83	$1,000
Life insurance	$50	$600
Disability insurance		
Other		
Other		
Totals	$383	$4,600

loans	monthly	annually
Credit cards	$100	$1,200
Personal loans		
Other		
Other		
Other		
Totals	$100	$1,200

other expense	monthly	annually
Day care		
Charities	$125	$1,500
Gifts	$208	$2,500
Entertainment		
Vacations	$417	$5,000
Other		
Other		
Other		
Other		
Other		
Totals	$750	$9,000

Net Worth Statement

Why Prepare a Net Worth Statement?



Your net worth is the difference between all the things of value that you own, and all the debts you owe. In financial terms, your net worth is your assets minus your liabilities. Before you can reach a financial goal, you need to know where you stand now. Your net worth is a reference point on your financial road map. Once you know your net worth, you can set a budget to reach your goals. There are several good practical reasons for knowing your financial worth:

Money Management

You can make better use of your income and maintain better control of your expenditures if you have a clear idea of what you own and what you owe. A net worth statement will show how much liquidity you have and identify the best sources for cash, should you need it.

Saving

Knowing precisely how much is left over after deducting current liabilities provides a strong incentive to save. As you see your net worth increase, you will be encouraged to help it grow.

Financial Planning

Net worth is an essential component of all financial planning. It helps you make appropriate decisions about your investments and lets you judge how much to set aside for buying a home, paying your children's education, establishing a new career or business of your own or providing for retirement.

Estate Planning

Everyone needs to make a will, and almost everyone needs to know how much he or she is worth before deciding how the estate is to be divided up.

Insurance Planning

You'll be better able to protect assets. Determining the worth of your valuables is not only necessary to figure out your net worth, it also helps you get the proper insurance coverage.

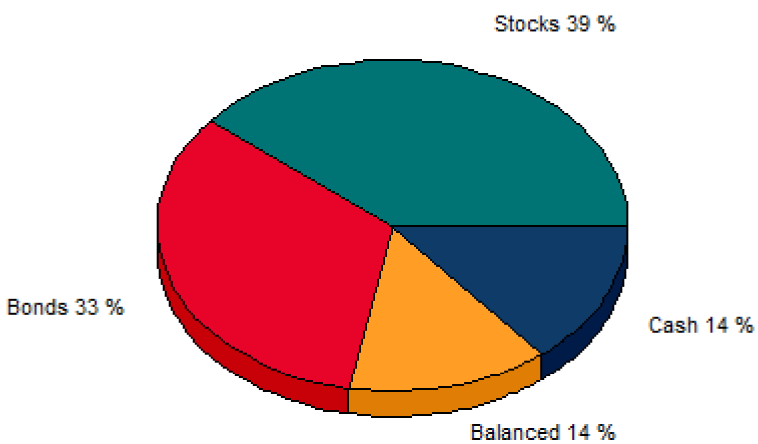
Borrowing

If you need to borrow cash or arrange a mortgage loan, you will be required to provide the lender with an accurate and up-to-date account of your existing assets and liabilities. Your net worth will determine the credit limit that the lender is prepared to offer.

Net Worth Statement as of June 1, 2012

all assets and liabilities		total	John	Sarah
Cash	14%	$ 25,000		$ 25,000
Bonds	33%	$ 60,000	$ 35,000	$ 25,000
Stocks	39%	$ 70,000	$ 25,000	$ 45,000
Balanced	14%	$ 25,000	$ 25,000	
Total Investment Assets		**$ 180,000**	**$ 85,000**	**$ 95,000**
Personal Assets		$ 290,000	$ 145,000	$ 145,000
Total Assets		**$ 470,000**	**$ 230,000**	**$ 240,000**
Liabilities		$ 130,000	$ 67,500	$ 62,500
NET WORTH		**$ 340,000**	**$ 162,500**	**$ 177,500**

Investment Assets



investment assets	total	John	Sarah
RRSPs	$ 80,000	$ 35,000	$ 45,000
TFSAs			
RRIFs			
LIFs/LRIFs			
LIRAs			
Money Purchase/DPSPs			
Other			
Total Registered	**$ 80,000**	**$ 35,000**	**$ 45,000**
Non-Registered	$ 100,000	$ 50,000	$ 50,000
Total Investment Assets	**$ 180,000**	**$ 85,000**	**$ 95,000**

John & Sarah Hanson

Net Worth Statement as of June 1, 2012

registered assets	amount	owner	type	reg'd
Trimark Balanced Fund	$25,000	Client	Balanced	RRSP
AGF Bond Fund	$10,000	Client	Bonds	RRSP
Industrial Cash Management	$25,000	Spouse	Cash	RRSP
CI Equity Fund	$20,000	Spouse	Stocks	RRSP
Total Registered Assets	$80,000			

non-registered assets	amount	ACB	owner	type
Bank of Canada Bonds	$50,000	$20,000	Joint	Bonds
Dofasco Common	$50,000	$10,000	Joint	Stocks
Total Non-Registered Assets	$100,000	$30,000		

personal assets	amount	ACB	owner	taxable?
Artwork and jewellry	$20,000		Joint	No
Vehicles	$20,000		Joint	No
Personal residence	$250,000	$100,000	Joint	No
Total Personal Assets	$290,000	$100,000		

liabilities	amount	owner
Credit cards	$5,000	Client
Line of credit	$25,000	Joint
Mortgage on home	$100,000	Joint
Total Liabilities	$130,000	

net worth summary	
Total Registered Assets	$ 80,000
Total Non-Registered Assets	$ 100,000
Total Personal Assets	$ 290,000
Total Assets	**$ 470,000**
Minus Total Liabilities	$ 130,000
Equals Net Worth	**$ 340,000**

Asset Allocation Profile

Your Investment Profile

Before embarking on an investment strategy, you need to choose an investment style that best suits your circumstances. Factors affecting your individual risk profile include:

Your willingness to take risk

Investments and risk go hand in hand, and the relationship between potential return and amount of risk is called the risk/return ratio. The smaller the risk, the smaller the potential return; the greater the risk, the greater the potential for profit. For your financial plan to be successful it must take into account your willingness - or unwillingness - to accept risk. Generally, there are three distinct investment objectives, with correspondingly different risk factors:

Safety

You want minimal risk and are willing to trade off lower returns. You want to protect your capital typically because your time horizon is relatively short or you are uncomfortable with risk.

Income

You are willing to accept a moderate degree of risk in exchange for the potential of having regular income added to your plan.

Growth

You are willing to accept higher risk to maximize the potential returns. Typically you will have a longer time horizon or sufficient assets to accommodate the increased risk.

Your time horizon

The younger you are, the more time you have for your investments to grow. Typically, this means the more risk you may be willing to accept in exchange for the potential of higher returns. The older you are, the less time you have to weather the ups and downs. As a result, you may be more comfortable with predictable investments as opposed to more volatile, potentially higher growth opportunities.

Your financial position

The higher your income and net worth, the more risk you may be willing to accept since potential losses from riskier investments in your portfolio are more easily absorbed if you have other cash and asset reserves.

Your level of investment knowledge

Generally, the higher your knowledge about investments and financial planning, the more willing you may be to include higher risk investments in your portfolio.

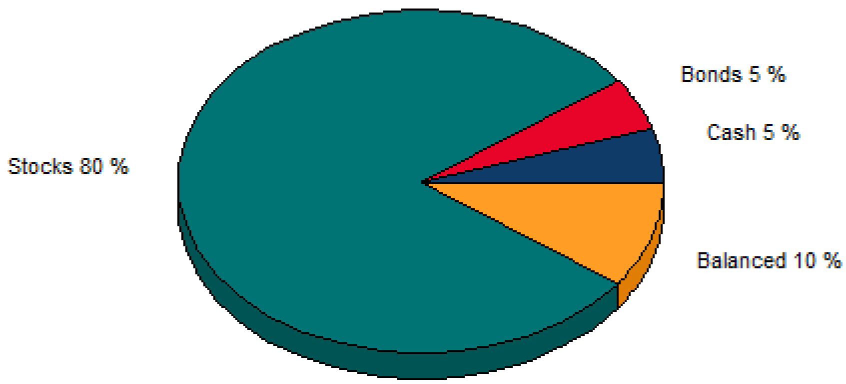
Asset Allocation Profile

Asset allocation is a tool designed to maximize the return on your portfolio while minimizing the risk. It involves structuring a diversified portfolio from these broad asset classes - Stocks, Bonds, Balanced and Cash - based on your income and growth needs and your risk tolerance.

The results of the attached Asset Allocation Questionnaire indicates the following profile for your investment portfolio:

Very Aggressive

This portfolio provides maximum long-term growth for the investors who can accept regular price fluctuations for maximum return potential. The volatility and growth potential are very high while the income potential is very low. The asset mix for this portfolio is Cash 5%, Bonds 5%, Balanced 10% and Stocks 80%.



Asset Allocation Questionnaire Results

1. **When will you need your money?**

    Less than 2 years

    2 to 5 years

    6 - 10 years

    11 - 15 years

    Over 15 years

2. **How old are you?**

    Under 30

    31 - 45

    46 - 55

    56 - 65

    Over 65

3. **What is your current net worth?**

    Under $50,000

    $50,001 - $100,000

    $100,001 - $250,000

    $250,001 - $500,000

    Over $500,000

4. **What is your current family income?**

    Under $25,000

    $25,001 - $50,000

    $50,001 - $85,000

    $85,001 - $125,000

    Over $125,000

5. **If the value of my portfolio declines, I change my investment strategy.**

    Strongly agree

    Agree

    More or less agree

    Disagree

    Strongly disagree

Asset Allocation Questionnaire Results

6. I prefer keeping my capital safe and intact to staying well ahead of inflation.

Strongly agree

Agree

More or less agree

Disagree

Strongly disagree

7. Which 10,000 investment would you choose given the range of returns after 1 year?

Investment A: 2% or 5% gain ($10,200 to $10,500)

Investment B: 5% loss or 10% gain ($9,500 to $11,000)

Investment C: 15% loss or 20% gain ($8,500 to $12,000)

Investment D: 20% loss or 30% gain ($8,000 to $13,000)

Investment E: 25% loss or 40% gain ($7,500 to $14,000)

8. The ups and downs of the stock market make me feel nervous.

Strongly agree

Agree

More or less agree

Disagree

Strongly disagree

9. I think that GICs and Term Deposits are the best long term investments.

Strongly agree

Agree

More or less agree

Disagree

Strongly disagree

10. I manage my finances and investments according to a clear financial plan with well-defined objectives.

Strongly agree

Agree

More or less agree

Disagree

Strongly disagree

Asset Allocation

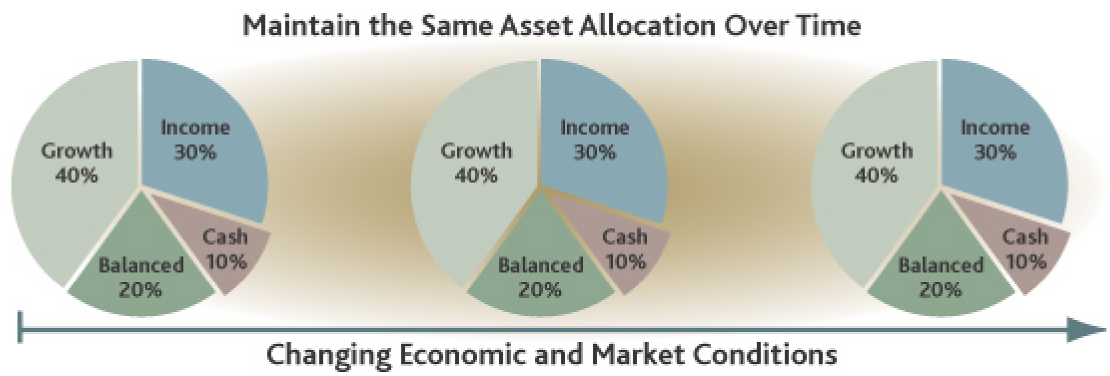
Asset allocation is a tool designed to maximize the return on your portfolio while minimizing the risk. It involves structuring a diversified portfolio from these broad asset classes - Growth, Income, Balanced and Cash - based on your income and growth needs and your risk tolerance.

Research has shown that choosing among asset classes has a greater impact on your investment returns that the specific investments you select or how well you time the market. The study, cited below, concluded that asset allocation accounted for 91.6% of a portfolio's investment return. Other factors such as investment selection and market timing only accounted for 8.4% of the return.

Brinson, Singer, Beebower, "Determinants of Portfolio Performance II: An Update", Financial Analysts Journal, May-June 1991

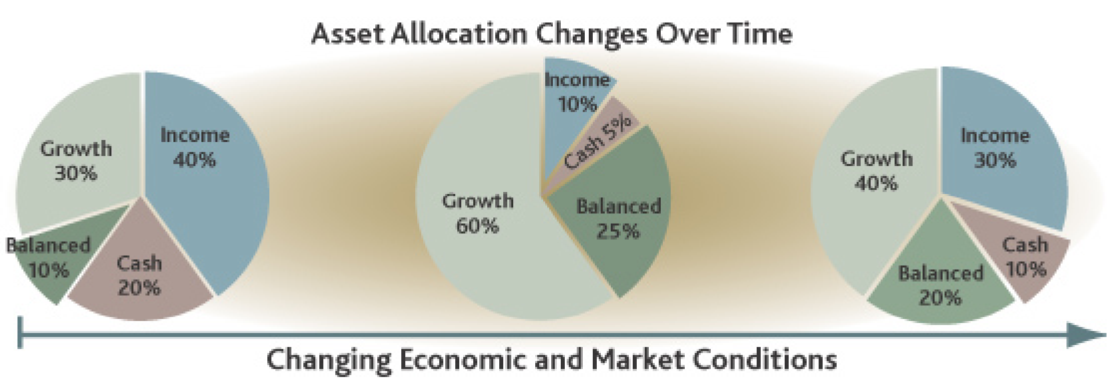
Strategic Asset Allocation

A balanced portfolio with fixed percentages for each asset class is selected based on the investor's growth and income needs and risk tolerance. Since each category will grow at different rates over time, the portfolio percentages will change from the initial allocation. The portfolio is then rebalanced to bring the asset holdings back in line with the original fixed percentages. The same allocation is maintained over time despite changing economic and market conditions



Tactical Asset Allocation

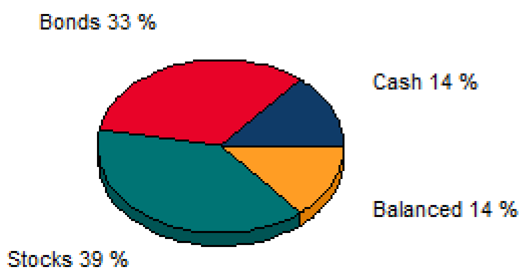
A balanced portfolio is selected based on the investor's growth and income needs and risk tolerance. Under tactical asset allocation, the percentages for each asset class are altered over time based on the changing economic and



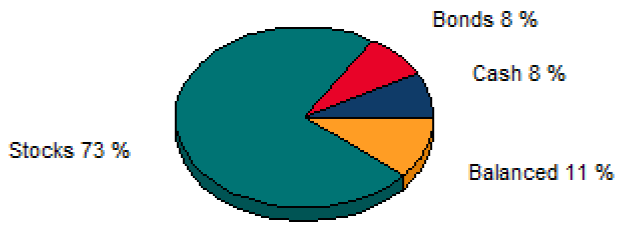
Recommended Portfolio

assets		total	John	Sarah
Cash	8%	$ 15,000	$ 7,500	$ 7,500
Bonds	8%	$ 15,000	$ 7,500	$ 7,500
Stocks	72%	$ 130,000	$ 65,000	$ 65,000
Balanced	11%	$ 20,000	$ 10,000	$ 10,000
Total Investment Assets		**$ 180,000**	**$ 90,000**	**$ 90,000**

Current Asset Allocation



Recommended Asset Allocation



Recommended Portfolio

registered assets	amount	owner	type	reg'd
Balanced	$10,000	Spouse	Balanced	RRSP
Cash	$7,500	Spouse	Cash	RRSP
Bonds	$7,500	Spouse	Bonds	RRSP
Stocks	$65,000	Spouse	Stocks	RRSP
Balanced	$10,000	Client	Balanced	RRSP
Cash	$7,500	Client	Cash	RRSP
Bonds	$7,500	Client	Bonds	RRSP
Stocks	$65,000	Client	Stocks	RRSP
Total Registered Assets	$180,000			

Retirement Planning

Retirement Tradeoffs

Planning for retirement involves tradeoffs. The amount of retirement capital you need will often depend on when you start investing, when you retire, the return on your investments, your income expectations, income indexing, your current saving levels and the amount of government pension income you expect to receive.

Note: These numbers are for illustration purposes only and do not reflect your financial situation.

More capital required if

- You start investing later in your life
- You retire early and increase the length of your retirement
- You earn a low rate of return on your investments
- The amount of income you need at retirement is higher
- Your retirement income is indexed to inflation
- Your current retirement savings levels are low
- Government pension sources are expected to be lower

Less capital required if

- You start investing early in your life
- You retire later and decrease the length of your retirement
- You earn a higher rate of return on your investments
- You lower your income expectations at retirement
- You don't index your retirement income to inflation
- Your current retirement savings levels are higher
- Government pension sources are expected to be higher

Retirement Plan Summary

An important aspect of your financial plan is to ensure that you are financially secure during your retirement years.

In this retirement plan, we compare your income needs to your income sources during retirement to determine if you have enough assets to sustain your desired lifestyle.

The amount of assets you will need during retirement will depend on:

- The length of your retirement
- Your income expectations
- Rate of return on your investments
- Your RRSP and non-RRSP saving levels
- The amount of income you receive from government and employer pensions
- The amount of income you receive from other sources

Based on the information you provided and the assumptions outlined on the attached page, the results of your retirement plan are summarized below:

results

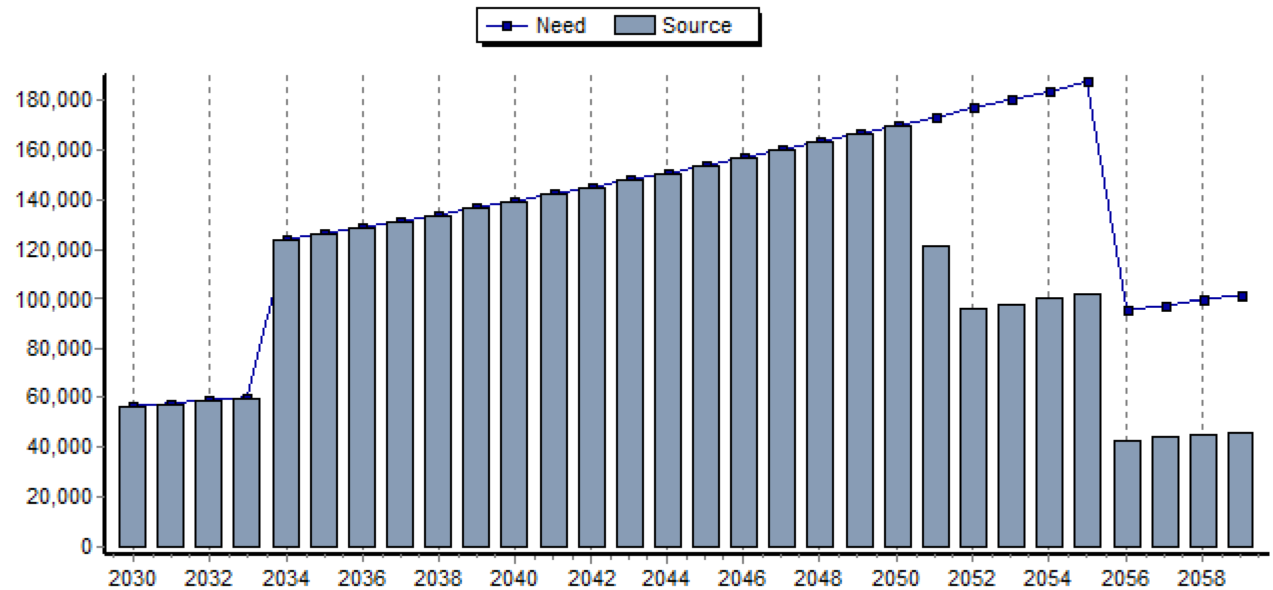
You do not have enough funds to sustain you through retirement.

Additional assets required to fund your retirement:	$ 169,429
Annual investment required to make up the above asset shortage:	$ 4,983

Retirement Plan Summary

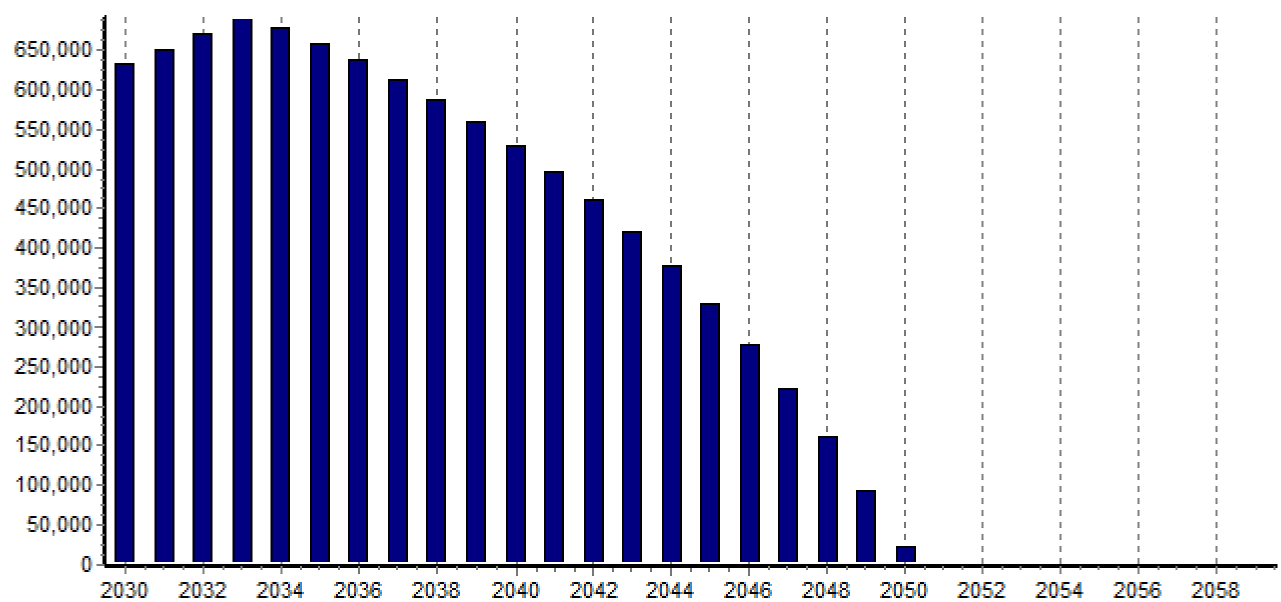
income needs versus sources

This graph compares your income needs to your income sources during retirement. An income shortage is indicated if the Needs line is above the Sources bar and a surplus is indicated if the Sources bar is above the Needs line.



investment assets

This graph shows the value of your investment assets (registered and non-registered) during retirement.



John & Sarah Hanson

Table 1A			Retirement Income Needs: Accumulation			
				Assets		
Year	Client Age	Spouse Age	Income Need	Reg'd	Non Reg'd	Total Assets
2012	47	43	100,000	81,000	100,500	181,500
2013	48	44	102,000	88,500	107,040	195,540
2014	49	45	104,040	96,620	113,983	210,603
2015	50	46	106,121	105,411	121,352	226,763
2016	51	47	108,243	114,927	129,175	244,101
2017	52	48	110,408	125,225	137,477	262,702
2018	53	49	112,616	136,369	146,289	282,658
2019	54	50	114,869	148,427	155,640	304,068
2020	55	51	117,166	161,473	165,565	327,038
2021	56	52	119,509	174,391	176,096	350,487
2022	57	53	121,899	188,342	187,271	375,613
2023	58	54	124,337	203,409	199,129	402,539
2024	59	55	126,824	219,682	211,711	431,393
2025	60	56	129,361	237,257	225,061	462,317
2026	61	57	131,948	256,237	239,224	495,461
2027	62	58	134,587	276,736	254,250	530,987
2028	63	59	137,279	298,875	270,192	569,067
2029	64	60	140,024	322,785	287,103	609,889
2030	65	61	128,542	348,608	284,081	632,689
2031	0	62	131,113	373,121	277,624	650,745
2032	0	63	133,735	399,392	270,577	669,969
2033	0	64	136,410	427,551	262,913	690,464
2034	0	65	123,678	457,734	221,089	678,823

John & Sarah Hanson

Retirement Income Needs: Distribution

Year	Client Age	Spouse Age	Income Need	Income Sources				Inv't Balance	Annual Income Shortage
				CPP & OAS	Pensions & Other	RRIF	Inv't Assets		
2030	65	61	57,130	26,168	10,000	-	20,962	632,689	-
2031	66	62	58,273	26,691	10,200	-	21,382	650,745	-
2032	67	63	59,438	27,225	10,404	-	21,809	669,969	-
2033	68	64	60,627	27,769	10,612	-	22,245	690,464	-
2034	69	65	123,678	56,649	10,824	-	56,205	678,823	-
2035	70	66	126,152	57,782	11,041	11,294	46,035	658,907	-
2036	71	67	128,675	58,938	11,262	16,786	41,689	637,191	-
2037	72	68	131,248	60,117	11,487	16,704	42,941	613,503	-
2038	73	69	133,873	61,319	11,717	16,622	44,216	587,743	-
2039	74	70	136,551	62,545	11,951	16,540	45,515	559,805	-
2040	75	71	139,282	63,796	12,190	16,474	46,821	529,581	-
2041	76	72	142,068	65,072	12,434	42,976	21,585	496,795	-
2042	77	73	144,909	66,374	12,682	40,898	24,955	460,749	-
2043	78	74	147,807	67,701	12,936	38,492	28,678	421,224	-
2044	79	75	150,763	69,055	13,195	35,735	32,778	377,985	-
2045	80	76	153,778	70,436	13,459	32,492	37,392	330,780	-
2046	81	77	156,854	71,845	13,728	28,755	42,526	279,346	-
2047	82	78	159,991	73,282	14,002	24,666	48,041	223,400	-
2048	83	79	163,191	74,748	14,282	20,199	53,962	162,643	-
2049	84	80	166,455	76,242	14,568	15,085	60,559	96,757	-
2050	85	81	169,784	77,767	14,859	9,220	67,937	25,405	-
2051	86	82	173,180	79,323	15,157	2,496	24,433	-	-51,771
2052	87	83	176,643	80,909	15,460	-	-	-	-80,274
2053	88	84	180,176	82,527	15,769	-	-	-	-81,880
2054	89	85	183,780	84,178	16,084	-	-	-	-83,517
2055	90	86	187,455	85,861	16,406	-	-	-	-85,188
2056	0	87	95,602	43,789	-	-	-	-	-51,813
2057	0	88	97,514	44,665	-	-	-	-	-52,849
2058	0	89	99,464	45,558	-	-	-	-	-53,906
2059	0	90	101,453	46,470	-	-	-	-	-54,984

Retirement Plan Assumptions

income needs	John	Sarah
Retirement starts at age	65	65
Retirement ends at age	90	90
Current income need	$ 50,000	$ 50,000
Percentage of above needed at retirement	80.00%	80.00%
Index pre-retirement income at	2.00%	2.00%
Index post-retirement income at	2.00%	2.00%
Change income need again?	No	No
Change income need at age	-	-
Percentage of new income need required	-	-
Index new income need at	-	-
Additional amount to be left to your estate		

rates of return	pre-retirement	post-retirement
John		
Registered Funds	8.00%	6.00%
Tax rate	25.00%	25.00%
Non-Registered Funds	6.00%	4.50%
Sarah		
Registered Funds	8.00%	6.00%
Tax rate	25.00%	25.00%
Non-Registered Funds	6.00%	4.50%
Average rate(registered and non-registered)	7.00%	5.25%

Canada Pension Plan benefits	John	Sarah
Are you currently receiving CPP benefits?	No	No
If you are currently receiving CPP benefits:		
Is this the first year of receiving CPP benefits?	-	-
Current annual CPP amount being received	-	-
If you are not currently CPP benefits:		
Start receiving CPP at age	65	65
What percentage of maximum CPP do you qualify for?	100.00%	100.00%

Old Age Security payments	John	Sarah
Do you qualify for OAS benefits?	Yes	Yes
Index CPP and OAS benefits at	2.00%	2.00%

Retirement Plan Assumptions

- The OAS clawback is not factored into the calculations.
- Funds to cover income shortages are first drawn from Non-Registered Assets. Once the Non-Registered Assets are depleted, funds are withdrawn from Registered Assets.

RRSP Contributions	John	Sarah
Stream 1		
Annual Amount	$ 1,000	-
Indexed At	2.00%	-
Start Age	47	-
End Age	55	-
Stream 2		
Annual Amount	-	-
Indexed At	-	-
Start Age	-	-
End Age	-	-

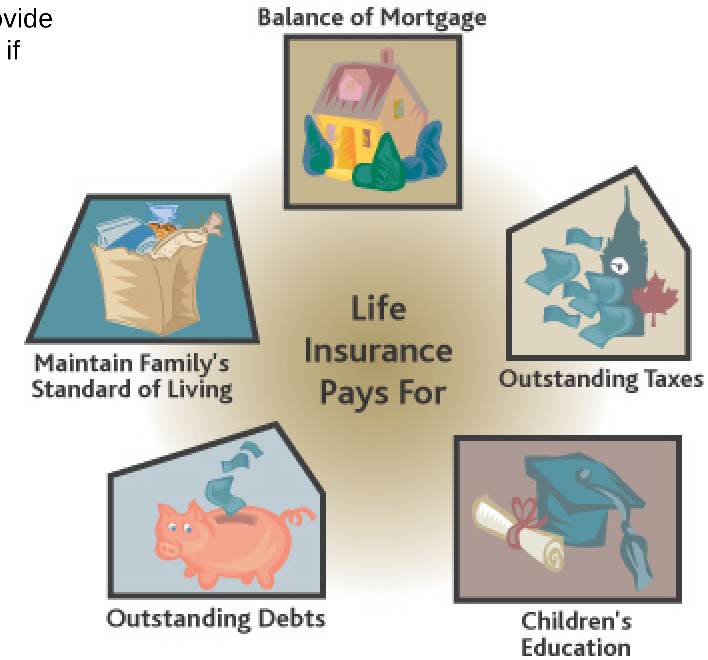
Non-Registered Investment Contributions	John	Sarah
Stream 1		
Annual Amount	$ 500	-
Indexed At	2.00%	-
Start Age	47	-
End Age	65	-
Stream 2		
Annual Amount	-	-
Indexed At	-	-
Start Age	-	-
End Age	-	-

RRIF (Registered Retirement Income Fund)	John	Sarah
Start Age	69	71
Payment Type	Minimum	Minimum

- All RRIF payments are withdrawn annually.
- Minimum payments are based on withdrawal rates for new RRIF funds (post 1992).
- The first minimum payment is delayed for one year.

Life Insurance

Although the basic purpose of life insurance is to provide your dependents with a continuing source of income if you die, it also provides for other financial needs.



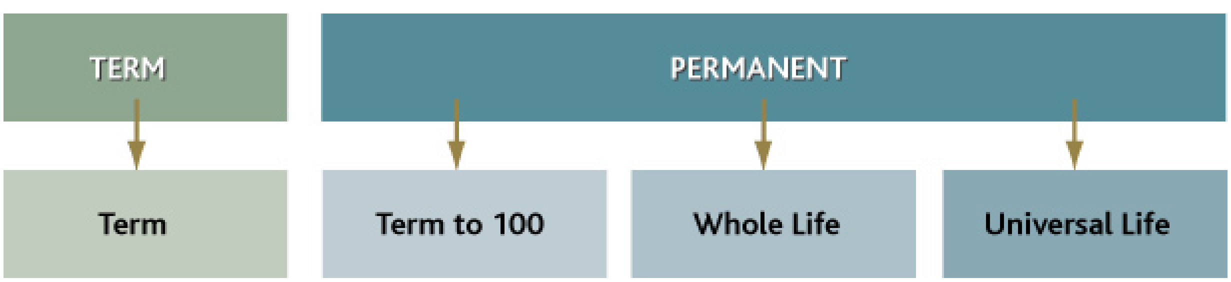
Maintain your family's standard of living
Pay off the mortgage on your home
Pay off any outstanding debts
Provide for your children's education
Pay off any outstanding taxes

Types of Life Insurance

The two major categories of life insurance products are Term and Permanent. Term insurance is designed to address temporary needs and buys you protection for a specified period of time or "term."

Permanent insurance is generally used for permanent needs, such as providing an income for survivors, funeral expenses, capital gains taxes on investments, real estate and RRSPs at death, charitable gifts or passing a business to the next generation.

Most permanent policies can be split into two categories: those that have cash value and those that do not. The cash value reflects the money that a policy holder puts into the policy in excess of the actual cost of the insurance. Whole and Universal Life policies have cash values while Term to 100 policies generally do not.



Life Insurance

Life insurance is one of the most important investments you can make to protect your family's financial security.

It is used to guarantee that your family will have a lump sum to pay off large financial obligations, a source of income to meet daily living expenses and be able to meet major future expenses such as your children's education.

Life insurance benefits payable to a designated beneficiary are non-taxable and are not subject to probate fees.

summary of life insurance needs	**John**	**Sarah**
Cash Needs	$262,500	$262,500
Income Needs	$866,382	$1,055,411
Total Capital Required	$1,128,882	$1,317,911
Less Current Capital	$587,500	$497,500
Life Insurance Need*	**$541,382**	**$820,411**

* A positive amount indicates an insurance need, a negative amount indicates an insurance surplus.

Life Insurance

cash needs

On the death of John	Amount	On the death of Sarah	Amount
Funeral expenses	$10,000	Funeral expenses	$10,000
Bills, accounts payable, loans	$10,000	Bills, accounts payable, loans	$10,000
Income taxes	$5,000	Income taxes	$5,000
Tax preparation fees	$2,500	Tax preparation fees	$2,500
Probate, legal, executor fees	$10,000	Probate, legal, executor fees	$10,000
Mortgage redemption	$100,000	Mortgage redemption	$100,000
Emergency fund	$50,000	Emergency fund	$50,000
Education fund	$50,000	Education fund	$50,000
Gifts & bequests	$25,000	Gifts & bequests	$25,000
Other		Other	
Total	**$262,500**	**Total**	**$262,500**

income needs

On the death of John	Amount	On the death of Sarah	Amount
Annual income need	$132,000	Annual income need	$132,000
Less		Less	
Surviving spouse's income	$72,000	Surviving spouse's income	$60,000
CPP survivor benefits	$5,000	CPP survivor benefits	$5,000
Other		Other	
Other		Other	
Equals annual income need	**$55,000**	**Equals annual income need**	**$67,000**
Rate of return (before tax)	10.00%	Rate of return (before tax)	10.00%
Tax rate	40.00%	Tax rate	40.00%
Rate of return (after tax)	6.00%	Rate of return (after tax)	6.00%
Index income to inflation of	2.00%	Index income to inflation of	2.00%
Inflation adjusted return	4.00%	Inflation adjusted return	4.00%
Deplete capital?	Yes	Deplete capital?	Yes
Capital to last for (years)	25	Capital to last for (years)	25
Capital to generate income	**$866,382**	**Capital to generate income**	**$1,055,411**

current capital

On the death of John	Amount	On the death of Sarah	Amount
CPP death benefit	$2,500	CPP death benefit	$2,500
Existing life insurance	$500,000	Existing life insurance	$400,000
Non-registered assets	$50,000	Non-registered assets	$50,000
Registered assets	$35,000	Registered assets	$45,000
Other		Other	
Other		Other	
Other		Other	
Other		Other	
Total	**$587,500**	**Total**	**$497,500**

Disability Insurance

How Will You Pay for Your Disability?

Disability insurance offers you protection against the possibility that you may not be able to meet your financial obligations due to accident or illness. It protects one of your most valuable assets, your earning power.

Without disability insurance, you have to find other sources of income to replace your lost earnings due to a disability. Most of the alternative options, if they are available to you at all, may be quickly exhausted. That leaves disability insurance as the most viable solution for a long-term disability.

INCOME SOURCE	WHY THE SOURCE MAY BE INSUFFICIENT
Spouse's Income	Is the income enough to maintain your lifestyle?
Government Programs	You may not qualify for certain programs & benefits
Emergency Savings	Limited cash flow, not a long term solution
Investments	You may not get true value when you sell
RRSP Withdrawals	Fully taxable, erodes your retirement fund
Loan	With no income, bank is unlikely to lend money
Friends & Family	Are you comfortable asking them for help?
Downsize Your Lifestyle	Will your children be adversely affected?

Disability Insurance

Disability insurance offers you protection against the possibility that you may not be able to meet your financial obligations - both family and business - due to accident or illness.

If you are like most people, you've probably given little thought to what you would do if you were to become disabled. If you have a group insurance plan at work, you may not have even looked at it, confident it will support you if something happens. If you're self-employed, you may have thought about it a little more - but probably not as much as you should.

That's because the chances that you will become disabled are greater than you think. Almost a third of all people now aged 35 will be disabled for at least six months before they reach 65. The chances that you will be disabled rather than die before you retire are almost three to one. Experience shows that if a disability lasts at least 90 days, it is likely to continue, on average, three years or more in the case of a 35 year old and four years or more in the case of a 45 year old.

summary of your income needs in the case of disability

Annual Amounts	John Disabled	Sarah Disabled
Total income sources	$ 89,000	$ 71,000
Expenses	$ 79,503	$ 79,503
Income surplus/shortage*	**$ -9,497**	**$ 8,503**

* A positive amount indicates a disability insurance need, a negative amount indicates an insurance surplus.

Details of Your Income Needs in Case of Disability

John

Income Source	Annual Amount
Spouse's income	$ 72,000
Government sources	
Current disability coverage	$ 12,000
Investments	$ 5,000
Emergency savings	
RRSP withdrawals	
Total Sources	**$ 89,000**
Less: Expenses	$ 79,503
Equals: Surplus / Shortage	**$ 9,497**

Sarah

Income Source	Annual Amount
Spouse's income	$ 60,000
Government sources	
Current disability coverage	$ 9,000
Investments	$ 2,000
Emergency savings	
RRSP withdrawals	
Total Sources	**$ 71,000**
Less: Expenses	$ 79,503
Equals: Surplus / Shortage	**$ -8,503**

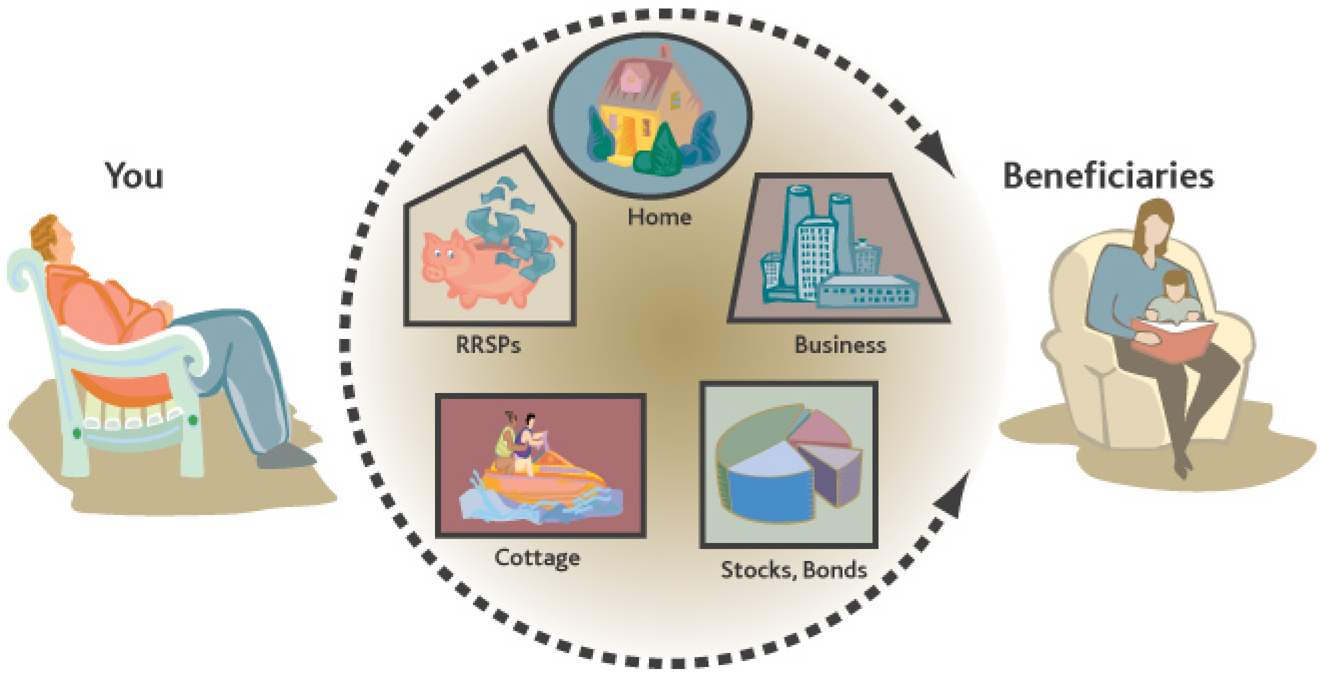
Expenses

Category	Annual Amount
Housing	$ 21,603
Automobile	$ 7,800
Food/Clothing	$ 15,000
Health Care	$ 2,100
Investments	$ 7,800
Loans	$ 4,800
Other	$ 20,400
Total Expenses	**$ 79,503**

Estate Planning

What is Estate Planning?

Estate planning is the process of structuring your personal and financial affairs so that, upon death, your assets are distributed according to your wishes. A properly prepared estate plan will help minimize income taxes and probate costs, provide for charitable donations and other gifts, ensure that your family does not face financial hardship and, in order to avoid any future conflicts, clearly define your wishes regarding the final distribution of your assets.



10 Reasons to Have an Estate

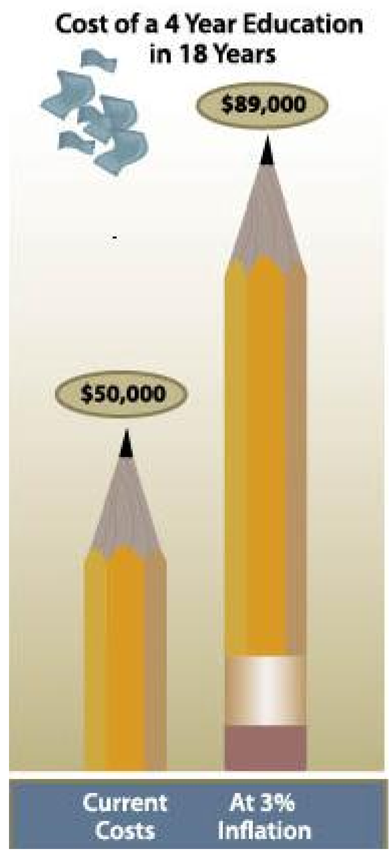
- Provide adequately for your spouse and dependents
- Distribute assets according to your wishes, not the courts
- You choose the guardian for your minor children, not the courts
- Appoint your own power of attorney to manage your affairs
- Reduce or defer taxes
- Reduce probate, legal and executor fees
- Provide funds for all final expenses and liabilities
- Decrease the time and potential problems to settle your estate
- Pass your business to your spouse, children or other party
- Gift money or assets to a charity of your choice

Estate Planning Checklist

		John	Sarah
1.	Do you have a signed will?	**Yes**	**Yes**
2.	Do you have a signed power of attorney for your financial affairs?	**Yes**	**Yes**
3.	Do you have a signed power of attorney for your personal care?	**Yes**	**Yes**
4.	Have you reviewed your will and powers of attorney in the last 2 years?	**No**	**No**
5.	Do you have an up-to-date net worth statement listing your assets and liabilities?	**Yes**	**Yes**
6.	Have you named beneficiaries for all of your registered investments(RRSPs, RRIFs, LIFs, LRIFs, annuities, pension plans, DPSPs) and life insurance policies?	**Yes**	**Yes**
7.	Have you reviewed the pros and cons of jointly registering non-RRSP assets in your name and your spouse's name?	**No**	**No**
8.	Do you have enough capital or life insurance to cover immediate cash needs at death (funeral expenses, income taxes, legal fees, executor fees, probate fees)?	**No**	**No**
9.	Do you have enough capital or life insurance to replace your income and maintain your family's current lifestyle?	**No**	**No**
10.	Do your family members know where to locate your financial records (investment accounts, bank accounts, tax returns, insurance policies, safety deposit box)?	**No**	**No**
11.	Do you have a succession plan for your business?	**N/A**	**N/A**
12.	Do you have a buy/sell agreement in place with your business partner(s)?	**N/A**	**N/A**

Education Planning

Investing for Education



Your children will need high levels of training and education to secure employment in a world that is becoming increasingly competitive and technology driven. Obtaining a post-secondary education to meet these demands is also becoming more expensive as governments continue to cut spending to reduce deficits and balance budgets.

The current cost for four years of university education is approximately $50,000. This includes tuition rent, food, books and additional fees. In eighteen years, the total cost of a four-year university education will be $89,000, assuming costs increase by 3% per year. If you start now and invest $160 per month in an RESP that earns 7.0% per year, you will be able to pay for your child's university education.

Two ways you can save for your child's post-secondary education are by using Registered Education Savings Plans (RESPs) and in-trust accounts.

RESPs

An RESPs is a government-approved plan for the purpose of providing post-secondary education funding for a beneficiary. Income earned within the plan is not taxed until it is withdrawn. The 2007 Federal Budget eliminated the maximum contribution limit of $4,000 per year per beneficiary and increased the lifetime limit from $42,000 to $50,000. RESP holders also receive a Canada Education Savings Grant (CESG) of up to $500 ($1,000 if catching up) per year for each child under the age of 18.The maximum lifetime total of CESGs from the federal government is $7,200 (for a maximum lifetime total of $57,200 in RESP contributions an CESG per child).

In-Trust Accounts

You can save for your child's education with an informal in-trust account. This is an investment account you open on behalf of your child. The money is held in trust until he or she reaches 18. Any capital gains earned on an informal in-trust account will be included in your child's income, so it will probably be taxed at a rate lower than yours. In-trust accounts differ from RESPs in several ways:

- You can invest as much as you like in an in-trust account
- The money does not have to be used specifically for education
- Your contribution will not qualify for the CESG grant

Education Funding Plan Summary

Your children will need high levels of training and education to secure employment in a world that is becoming increasingly competitive and technology driven. Obtaining a post-secondary education to meet these demands is also becoming more expensive as governments continue to cut spending to reduce deficits and balance budgets.

This page summarizes the education funding plans for your children and how much you should invest on a monthly basis in order to meet their post-secondary school funding needs.

Please see the attached pages for details on the education plan for each child.

education funding plan

Name	Funds Needed	Future Value of Savings	Surplus/ Shortage *	Monthly Investment
Hannah	$ 82,937	$ 4,853	$ -78,084	292
Jackson	$ 93,904	$ 3,700	$ -90,204	215
Totals	**$ 176,841**	**$ 8,553**	**$ -168,288**	**507**

* A negative amount indicates an education fund shortage, a positive amount indicates a surplus.

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Education Funding Plan Results

education funding plan

Name	Funds Needed	Future Value of Savings	Surplus/ Shortage *	Monthly Investment
Hannah	$ 82,937	$ 4,853	$ -78,084	292
Jackson	$ 93,904	$ 3,700	$ -90,204	215
Totals	**$ 176,841**	**$ 8,553**	**$ -168,288**	**507**

* A negative amount indicates an education fund shortage, a positive amount indicates a surplus.

John & Sarah Hanson

Education Funding Plan for Hannah

monthly contributions required to fund education

RESP contribution		$	250
CESG grant		$	42
Total RESP contribution	A	$	292
Total Non-RESP contribution	B	$	
Total monthly contribution (A plus B)		**$**	**292**

education costs

Total post-secondary education costs		$	93,018
Present value of above costs at the start of the 1st year of school	A	$	82,937
Percentage of above education costs to be covered by this plan	B	$	100.00 %
Funds needed at the start of the 1st year of school (A x B)	C	$	82,937
Future value of current savings at the start of the 1st year of school	D	$	4,853
Shortage (D minus C)		**$**	**-78,084**

education cost table

Year#	Year	Age	Total Annual	Annual Tuition Costs	Annual Room & Board Costs
1	2024	18	22,190	12,488	9,702
2	2025	19	22,884	12,988	9,896
3	2026	20	23,601	13,507	10,094
4	2027	21	24,343	14,047	10,296
Totals			**$ 93,018**	**$ 53,030**	**$ 39,988**

assumptions

Current age		5
Start school at age		18
Years in school		4
Fund education using RESPs?		Yes
Current RESP savings	$	1,000
Annual RESP contributions	$	
RESP rate of return		8.00%
Current Non-RESP savings	$	1,000
Annual Non-RESP contributions	$	
Non-RESP rate of return		6.00%
Current annual tuition costs	$	7,500
Current annual room & board costs	$	7,500
Tuition inflation rate		4.00%
Room & board inflation rate		2.00%

Education Funding Plan for Jackson

monthly contributions required to fund education

RESP contribution		$	179
CESG grant		$	36
Total RESP contribution	A	$	215
Total Non-RESP contribution	B	$	
Total monthly contribution (A plus B)		**$**	**215**

education costs

Total post-secondary education costs		$	105,322
Present value of above costs at the start of the 1st year of school	A	$	93,904
Percentage of above education costs to be covered by this plan	B	$	100.00 %
Funds needed at the start of the 1st year of school (A x B)	C	$	93,904
Future value of current savings at the start of the 1st year of school	D	$	3,700
Shortage (D minus C)		**$**	**-90,204**

education cost table

Year#	Year	Age	Total Annual	Annual Tuition Costs	Annual Room & Board Costs
1	2028	18	25,111	14,609	10,502
2	2029	19	25,905	15,194	10,712
3	2030	20	26,727	15,801	10,926
4	2031	21	27,578	16,433	11,145
Totals			**$ 105,322**	**$ 62,038**	**$ 43,284**

assumptions

Current age		1
Start school at age		18
Years in school		4
Fund education using RESPs?		Yes
Current RESP savings	$	1,000
Annual RESP contributions	$	
RESP rate of return		8.00%
Current Non-RESP savings	$	
Annual Non-RESP contributions	$	
Non-RESP rate of return		6.00%
Current annual tuition costs	$	7,500
Current annual room & board costs	$	7,500
Tuition inflation rate		4.00%
Room & board inflation rate		2.00%

Education Funding Plan - Additional Assumptions

- The value of Current RESP savings is used as the amount of principal contributed to the RESP. This number is used to calculate the amount still available to contribute to the RESP based on the $50,000 lifetime limit.
- If RESPs are used to fund education, the maximum RESP and CESG contributions (maximum monthly CESG contribution is $41.67 or $500.00 per year) are calculated. If these amounts are insufficient to meet the funding requirements, then the monthly Non-RESP contribution amount needed to meet the shortfall is calculated.
- If Non-RESPs are used to fund education, no RESP or CESG calculations are performed.
- All monthly contributions are made at the end of the month.
- The rate of return on monthly contributions is compounded annually.
- The calculation of the present value of annual education costs at the start of the first year of school uses the RESP rate of return as the discount rate.

Recommendations

- Rebalance your current portfolio allocation from Cash 14%, Bonds 33%, Stocks 39% , Balanced 14% to the following allocation: Cash 8%, Bonds 8%, Stocks 72%, Balanced 11%.

- You will require $ 169,429 in additional capital at retirement to fund your retirement based on the assumptions used in your plan.To achieve this requirement, you need to make annual investments of $ 4,983 between now and retirement with an average rate of return of 7.00%. You should review your retirement plan annually to account for any changes in the assumptions of your plan and your financial situation.

- John requires an additional $541,382 in life insurance coverage while Sarah requires an additional $820,411 of coverage. You should review your insurance needs annually to ensure that you have adequate coverage.

- Sarah requires an additional $8,503 in annual disability insurance coverage. John has enough disability insurance coverage with a current annual surplus of $9,497. You should review your disabilty insurance needs annually to ensure that you have adequate coverage.

- Both John and Sarah currently have a will, power of attorney for your financial affairs and power of attorney for personal care. These documents should be reviewed annually to ensure that changes in your personal or financial circumstances are accounted for.

- In order to fund your family's post-secondary education needs, you need to begin investing an additional $507 per month. You should review your education plan annually to ensure that you are on track to meet your goals.