RAYMOND JAMES

Personal Financial Strategy

Prepared for

Mr. A and Mrs. A

Prepared: March 2019

Referring Financial Advisor	Retirement & Financial Planning
Advisor, CFP, CIM Portfolio Manager	***OFFICIAL COMPETITOR #: CDA201931*** Financial Planner

Purpose for a Personal Financial Strategy

The purpose for having a Personal Financial Strategy is to provide you with a roadmap that identifies what you need to do to achieve your financial goals and objectives. Having this financial roadmap will help you make more informed decisions about what you spend, save, or invest. How important is making "more informed" decisions? This report will clearly illustrate that the decisions that you make today will indeed determine tomorrow's destiny.

It is important to understand that personal financial management is an ongoing process and this financial roadmap will not stay "current" forever. It will become outdated with changes in your goals and objectives, tax laws, and other personal economic circumstances. Thus, it is important to have your Personal Financial Strategy reviewed on a periodic basis, or whenever a major personal change occurs.

This report was prepared based on our understanding of the information that you provided both verbally and in the form of source documents. We have not attempted to verify the accuracy or completeness of this information. This document contains a number of calculations, projections, graphs, and observations resulting from the analysis of that information, and is in part dependent on the degree of accuracy and details that was provided. Every reasonable effort has been made to ensure accurate analysis during the planning process; however, we cannot guarantee the accuracy of calculations and projections.

The calculations in this document illustrating income tax concepts and investment gains are based on assumptions considered reasonable at this time. However, we know that actual results will definitely vary from our projections since it's impossible to predict the future with certainty. For this reason, any projections should not be construed as promises of performance.

The financial planner has not reviewed or assessed your investment risk tolerance. Additionally, the planner has not reviewed the suitability or appropriateness of your investments. The planner makes no endorsement or guarantee of any specific investment product or strategy. Unless otherwise indicated, the planner has not assessed the appropriateness of any investment strategies involving the use of debt whether it is financed by a line of credit, mortgage, margin or other.

The information below is from sources believed to be reliable, however, we cannot represent that it is accurate or complete and it should not be considered personal tax advice. We are not tax advisors and we recommend that clients seek independent advice from a professional advisor on tax-related matters.

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Goals, Objectives & Planning Assumptions

Retirement Profile	Mr. A	Mrs. A
Current Age	54	54
Full Retirement Start Age	January 1, 2023 at age 58	January 1, 2023, at age 58
Planning Horizon	95	95

Goals & Objectives

Your specific goals and financial objectives provide the basic framework for the development of your retirement analysis. They are expressed in today's dollars.

Planning Goal

1. Mr. A and Mrs. A., you want confidence that your assets and income are structured to provide an efficient and comfortable retirement lifestyle for the rest of your lives.
2. You want a well-structured estate plan for one another and then to your grown children.
3. You want guidance on what you should attend to at this time of transition into semi and full retirement.

Financial Objective (after-tax, indexed)	Annual Amount	Year(s)
Current Lifestyle	$100,000	2019 - 2023
Retirement Lifestyle	$100,000	2024 - 2060

Planning Assumptions

This report recognizes all aspects of your financial situation, both now and in the future. Consequently, it is necessary to make a number of assumptions about the future so that we can identify the long-term impact your investment and other decisions will have on your situation. The following are some of the key assumptions that we have made in doing our calculations.

General	
Inflation Rate	2.00%
Real Estate Growth Rate	2.00%
Investment Rate of Return*	3.91%

**the assumed net weighted average rate of return of investment accounts does not represent your target rate of return. Instead it is the product of applying a projected long term rate of return provided by Morningstar Investment Management®, net of management fees based on the current asset allocation for accounts at Raymond James and those accounts held externally. The asset allocation of accounts held externally was based on a benchmark balanced portfolio as per the Financial Planning Standards Council (FPSC) guidelines.*

Income	Mr. A	Mrs. A
Salary	2019-2022 = $49,600/year	2019-2060 = $26,000/year
Bonus		2019-2060 = $5,000/year

Retirement Income (indexed)	Mr. A	Mrs. A
CPP Eligibility (estimated)	100% at age 65	50% at age 65
OAS Eligibility	100% at age 65	100% at age 65

Lifestyle Real Estate	Ownership	Fair Market Value	Adjusted Cost Base	Sale Year
Family home	Joint	$490,000	$85,000	Not Considered

Goals, Objectives & Planning Assumptions

Continued

Life Insurance	Insured	Death Benefit	Annual Premium	Beneficiary
Whole Life Participating	Mr. A	$200,000	$745.08	Mrs. A
Whole Life Participating	Mrs. A	$ 75,000	$311.04	Mr. A
Universal Life	Mr. A	$500,000	$2,773.20	100 #'d AB Ltd. (and policy owner)

Details of Private Corporations: The following is a summary of your private share holdings.

A Plus Investments

Common Shares	Percentage of Shares	Adjusted Cost Base	Paid Up Capital
Mr. A	50%	$nil	$nil
Mrs. A	50%	$nil	$nil

Outstanding Shareholder Loans Due to:	Mr. A	Mrs. A
Amount	$123,568.50	$123,568.50

Liability	Balance	Interest Rate	Payment Amount	Payoff Year
Mortgages – Shareholder homes Due to 100 #'d AB Ltd.	$550,000	0.00%	$0.00/month	Not considered

Investment Accounts	Fair Market Value	Adjusted Cost Base	Rate of Return
Investment Portfolio – Raymond James	$872,383	$932,538	3.87%
Cash	$300,000	$300,000	2.17%

Transactions

Dividend Distributions (outflows)	Annual Amount	Year(s)	Indexation
Dividends to Support Retirement Lifestyle Needs*	$30,000	2030 – 2060	2.00%

**we assumed that you will first take advantage of available CDA and GRIP balances by distributing non-taxable capital dividends and taxable eligible dividends before distributing taxable non-eligible dividends.*

Shareholder Loan Repayment (outflows)	Annual Amount	Year(s)	Indexation
Mr. A	$12,000	2024-2031*	2.00%
Mrs. A	$12,000	2024-2031*	2.00%

**2031 = shareholder loan balance is fully repaid*

Continued on the next page…

Goals, Objectives & Planning Assumptions

Continued

100 #'d AB Ltd:

Common Shares	Percentage of Shares	Adjusted Cost Base	Paid Up Capital
Mr. A	25%	$nil	$nil
Mrs. A	25%	$nil	$nil
Other (Son and Daughter)	50%	$nil	$nil

Historical Information	
Capital Losses Carryforward, End-of-year Value for 2018	$25,271

Shareholder Loan	Balance	Interest Rate	Payment Amount	Payoff Year
Due from Son and Daughter	$237,949	0.00%	$0.00/month	Not considered

Assets	Fair Market Value	Adjusted Cost Base	Year of Sale
Shares in Operating Business	$1,100,000	$nil	2019-2023*
Due from A PLUS Investments	$550,000	$550,000	Not considered

**Operating business sale is currently closing with equal instalment payments from 2019 to 2023.*

Investment Accounts	Fair Market Value	Adjusted Cost Base	Rate of Return
100 #'d -81C	$161,384	$109,452	5.63%
100 #'d -12C	$128,651	$121,565	5.69%
100 #'d -02C	$115,261	$108,001	5.57%
100 #'d -92C	$133,909	$143,039	5.49%

Life Insurance	Insured	Death Benefit	Annual Premium	Beneficiary
Universal Life policy – noted above	Mr. A	$500,000	$2,773.20	100 #'d AB Ltd.

Transactions

Expenses	Annual Amount	Year(s)	Indexation
Mrs. A's Ongoing Salary/Bonus	$31,000	2019 – 2060	0.00%

Dividend Distributions (outflows)	Annual Amount	Year(s)	Indexation
Dividends to Support Retirement Lifestyle Needs*	$30,000	2030 – 2060	2.00%

**we assumed that you will first take advantage of available CDA and GRIP balances by distributing non-taxable capital dividends and taxable eligible dividends before distributing taxable non-eligible dividends.*

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Goals, Objectives & Planning Assumptions

Continued

Additional Notes and Assumptions

1) We have assumed that Mrs. A receives additional T4 income this year of $49,000 from 100 #'d AB Ltd.
2) We have assumed that you would elect to split eligible pension income.
3) We have assumed that you will contribute $6,000 (not indexed) to a TFSA annually.
4) When necessary, we assumed additional investment assets are liquidated in order of the lowest tax cost to the highest tax cost. As a result, non-registered assets would be depleted prior to voluntary payments from your registered plans.
5) RRSP funds are assumed to be converted to a Registered Retirement Income Fund (RRIF) when needed to meet expenses, but no later than the year you turn age 71.
6) When you are expected to have cash flow surpluses or capital receipts, we have assumed that they will be saved to a balanced joint non-registered portfolio when applicable.
7) The following scenarios are illustrated:
   a) Current Plan - Fund Retirement Lifestyle: This illustration assumes drawing from personal and corporate assets as needed to meet retirement lifestyle expenses, net of tax. Assumptions were described on the previous pages 5-7 for the Planning Horizon of 2019-2060 from information you provided.
   b) Strategic Asset Location Retirement Funding: This illustration assumes a more strategic approach to optimize tax planning opportunities throughout the retirement planning horizon in combination with meeting retirement lifestyle expenses. The assumptions previously described remain the same except the following:
      i) This scenario assumes that Mr. A and Mrs. A have a different class of 100 #'d AB Ltd. shares than your adult Son and Daughter.
      ii) A Capital Dividend is declared by 100 #'d AB Ltd. for Mr. A and Mrs. A's shares in the amount of $550,000 at age 58, after successful conclusion of the instalment sale of the Operating Business.
      iii) Mr. A and Mrs. A receive dividends from 100 #'d AB starting at age 65 (2030) in the amount of $25,000 annually until 2041, when the investment assets no longer sustain dividends.
      iv) Mrs. A's salary/bonus ends 2041, when 100 #'d AB Ltd's investment assets no longer sustain the expense.
      v) A Plus Investments repays the full outstanding shareholder loan to Mr. A and Mrs. A in a lump sum of $247,137 this year (2019).
      vi) A Plus Investments declared dividends are reduced (compared to the other scenario) to $12,000 annually paid to Mr. A and Mrs. A from 2030 to 2060.

Caution on Corporate Planning:

The recent changes to private corporate income sprinkling have limited the ability to pay dividends to family member shareholders that are not significantly involved in the business, among other criteria. This is known as Tax on Split Income or TOSI. However, the Department of Finance has included clear, "bright line" tests to determine applicability of TOSI. A taxable dividend distribution received from a related business may be excluded under the TOSI rules. Please consult with your tax advisor to ensure that dividend distributions will not fall under the new TOSI rules. This topic is developed in more detail, later in this report.

Net Worth Statement

Current Plan

This report displays a comprehensive list of your assets and liabilities as of **February 2019**. Use this report to better understand your net worth situation.

Assets	Mr. A	Mrs. A	Joint	Total
Non-Registered Investments				
Life Insurance on Mr. A	$22,648			$22,648
Life Insurance on Mrs. A		$9,120		$9,120
Joint Raymond James Account			$196,676	$196,676
Total	**$22,648**	**$9,120**	**$196,676**	**$228,444**
Registered Investments				
Mr. A's TFSA Raymond James	$63,423			$63,423
IPP for Mr. A - 101C	$108,144			$108,144
IPP for Mr. A - 081C	$147,001			$147,001
IPP for MR. A - 111C	$163,638			$163,638
IPP for Mr. A - 121C	$126,974			$126,974
IPP for Mr. A - 521C	$134,577			$134,577
IPP for Mr. A - 671C	$48,968			$48,968
Mr. A's LIRA - 010	$44,693			$44,693
Mrs. A's RRSP -901		$99,740		$99,740
Mrs. A's RRSP -731C		$61,526		$61,526
Mrs. A's TFSA Raymond James		$75,924		$75,924
Total	**$837,417**	**$237,190**	**$0**	**$1,074,607**
Lifestyle Assets				
Family Home			$490,000	$490,000
Total	**$0**	**$0**	**$490,000**	**$490,000**
Private Corporations				
A PLUS Investments	$312,731	$312,731		$625,462
100 #’d Alberta Limited	$520,425	$520,425		$1,040,850
Total	**$833,156**	**$833,156**	**$0**	**$1,666,312**
Liabilities	**Mr. A**	**Mrs. A**	**Joint**	**Total**
Total	**$0**	**$0**	**$0**	**$0**
Total Net Worth	**$1,693,221**	**$1,079,466**	**$686,676**	**$3,459,363**

Cash Flow Outlook

Current Plan

This report projects itemized cash flow information over the duration of the selected years. Cash inflows and outflows are categorized by source and summarized as aggregate totals. This provides an overview of your cash flow projections.

Year Age	2019 54/54	2020 55/55	2021 56/56	2022 57/57	2023 *58/58*
Cash Inflows					
Earned Income					
Mr. A's New 50% Salary-Opco	$49,600	$49,600	$49,600	$49,600	$0
Mrs. A's Ongoing Salary-#'d Co	$31,000	$31,000	$31,000	$31,000	$31,000
Mrs. A's 2018 Bonus-#'d Co	$49,000	$0	$0	$0	$0
Total	**$129,600**	**$80,600**	**$80,600**	**$80,600**	**$31,000**
Registered Proceeds					
Mr. A's TFSA Raymond James	$0	$0	$0	$0	$19,484
Mrs. A's TFSA Raymond James	$0	$0	$0	$0	$19,484
Total	**$0**	**$0**	**$0**	**$0**	**$38,969**
Non-Registered Proceeds					
Joint Raymond James Account	$7,055	$42,583	$46,032	$49,683	$50,794
Total	**$7,055**	**$42,583**	**$46,032**	**$49,683**	**$50,794**
Investment Income					
Joint Raymond James Account	$6,945	$6,679	$5,178	$3,553	$1,797
Total	**$6,945**	**$6,679**	**$5,178**	**$3,553**	**$1,797**
Total Cash Inflows	**$143,600**	**$129,861**	**$131,809**	**$133,835**	**$122,561**
Cash Outflows					
Lifestyle Expenses					
Lifestyle (Joint)	$98,940	$100,919	$102,937	$104,996	$0
Retirement Lifestyle (Joint)	$0	$0	$0	$0	$107,096
Total	**$98,940**	**$100,919**	**$102,937**	**$104,996**	**$107,096**
Registered Contributions					
Mr. A's TFSA Raymond James	$6,000	$6,000	$6,000	$6,000	$6,000
Mrs. A's TFSA Raymond James	$6,000	$6,000	$6,000	$6,000	$6,000
Total	**$12,000**	**$12,000**	**$12,000**	**$12,000**	**$12,000**

Year Age Cash Outflows	2019 54/54	2020 55/55	2021 56/56	2022 57/57	2023 *58/58*
Employment Expenses					
CPP/QPP Contributions - Empl...	$5,100	$3,864	$4,011	$4,195	$1,636
Total	**$5,100**	**$3,864**	**$4,011**	**$4,195**	**$1,636**
Miscellaneous Expenses					
Life Insurance on Mr. A	$745	$745	$745	$745	$745
Life Insurance on Mrs. A	$311	$311	$311	$311	$311
Total	**$1,056**	**$1,056**	**$1,056**	**$1,056**	**$1,056**
Taxes					
Federal Income Tax	$16,490	$7,237	$7,088	$6,943	$271
Provincial Income Tax	$8,351	$3,480	$3,411	$3,339	$0
Total	**$24,841**	**$10,716**	**$10,499**	**$10,282**	**$271**
Total Cash Outflows	**$143,600**	**$129,861**	**$131,809**	**$133,835**	**$122,561**
Surplus/(Deficit)	**$0**	**$0**	**$0**	**$0**	**$0**

** = year of retirement*

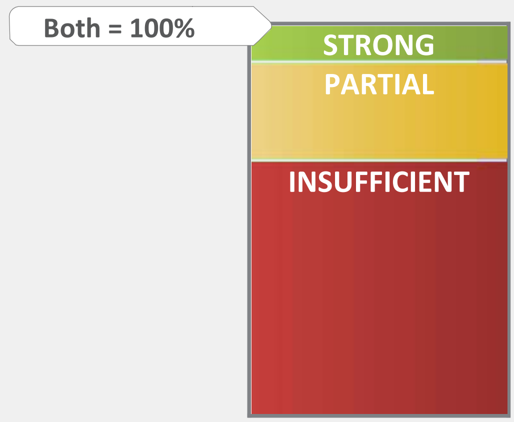
Retirement Analysis

Scenario Analysis

This shows progress towards your retirement goal. That is, your ability to cover expenses, pay taxes, and maintain discretionary spending during your retirement.

Your retirement assets are projected to be sufficient to meet your retirement lifestyle goal of $100,000, indexed to age 95, in both illustrated scenarios.

RETIREMENT GOAL COVERAGE



Analysis Indicates You Meet 100% of Your Retirement Goal in Both Scenarios

Our analysis indicates that you are projected to have sufficient financial resources to fund your desired retirement. An important aspect of your overall retirement plan is deciding which sources of income and investment assets to fund your retirement lifestyle, in which order, and at what time. The use of different assets to fulfill income needs produces significantly different tax consequences. Each year, your personal and corporate tax rates may vary considerably, therefore, it is important to consult with a qualified tax advisor annually to make the best decision possible regarding which investments to draw on to maximize your after-tax income, personally and corporately.

Based on the assumptions built into both of the scenarios, we highlight the following findings:

- In retirement, Mr. A and Mrs. A are projected in both scenarios to equalize incomes, split income and pension share effectively. The exception to this is Mr. A's age 58-65. He is projected to not earn employment income, while Mrs. A is. He and Mrs. A are not receiving any pension benefits or dividends during this time, either, creating income tax disparity between Mrs. A and Mr. A from 2023-2031.
- At the end of both of the scenarios, there is projected to be a significant buildup of corporate assets not needed to fund your retirement lifestyle, resulting in a significant estate tax liability.

Strategic Asset Location – Retirement Funding Scenario Analysis

The Strategic Asset Location scenario can be described as you, shareholders of 100 #'d AB Ltd and A Plus Investments, drawing on most or all of the tax-free and tax-efficient corporate investment capital as soon as is practical. Our analysis suggests that in this scenario, you are projected to be better off financially in comparison to the *Current Plan Scenario.* These draws include capital dividends, repayment of shareholder loans, and other tax-efficient dividends.

Retirement Analysis

Scenario Analysis Continued

Based on the assumptions built into both of the scenarios, we have highlighted the following key outcomes of Strategic Asset Location Scenario in comparison to Current Plan Scenario:

- A larger capital surplus of registered and corporate investment balances at the end of the planning horizon, age 95, 2060.
- A larger net worth (and a larger tax liability) at the end of the planning horizon.
- An overall increase in the purchasing power of your investable assets, in today's dollars, at the end of your planning horizon.

	Current Plan – Fund Retirement Scenario	***Strategic Asset Location – Retirement Funding***
Planning Horizon	*95*	*95*
1st Year Semi-Retirement Needs (2019)	*$100,000*	*$100,000*
1st Year Full Retirement Needs (2023)	*$112,977*	*$112,977*
Retirement Goal – level of coverage	*100%*	*100%*
Capital Surplus at age 95	*$3,432,734*	*$4,278,409*
Capital Surplus (today's dollars) at age 95	*$1,857,953*	*$2,315,671*
Net Worth at age 95	*$5,051,091*	*$5,797,991*
Net Worth (today's dollars) at age 95	*$2,733,882*	*$3,138,139*

An illustrated capital surplus gives you greater flexibility in your lifestyle expenses and your financial planning. Our analysis indicates each of the scenarios support the following:

1. Increase your lifestyle expenses:
   a. Current Plan Scenario = annual spending $114,770 in today's dollars.
   b. Strategic Asset Location Scenario = annual spending $121,696 in today's dollars.
2. Or retire sooner,
   a. Current Plan Scenario = age 56
   b. Strategic Asset Location Scenario = age 54
3. Or fund a longer planning horizon. Both scenarios meet your income goal projected out to age 120.
4. Or sustain your income on a lower average rate of investment portfolio return:
   a. Current Plan Scenario is sustainable if your net portfolio return is 3%, outpacing inflation by 1%
   b. Strategic Asset Location Scenario is sustainable if your net portfolio return is 2.75%, outpacing inflation by 0.75%.

In relation to recent tax legislation which includes changes to the Capital Dividend Account (CDA) and Refundable Dividend Tax On Hand (RDTOH) new measures for extracting profits through non-eligible and eligible RDTOH, we recommend you consult with your accountant about clearing your CDA balance and drawing dividends.

Because this information is for illustration purposes only it is important to refer to your accountant annually for details on the best way to structure your overall retirement income strategy and the most efficient way to pay dividends from your corporation. Retirement income strategies must be reviewed every year as factors such as tax rates and legislation change regularly.

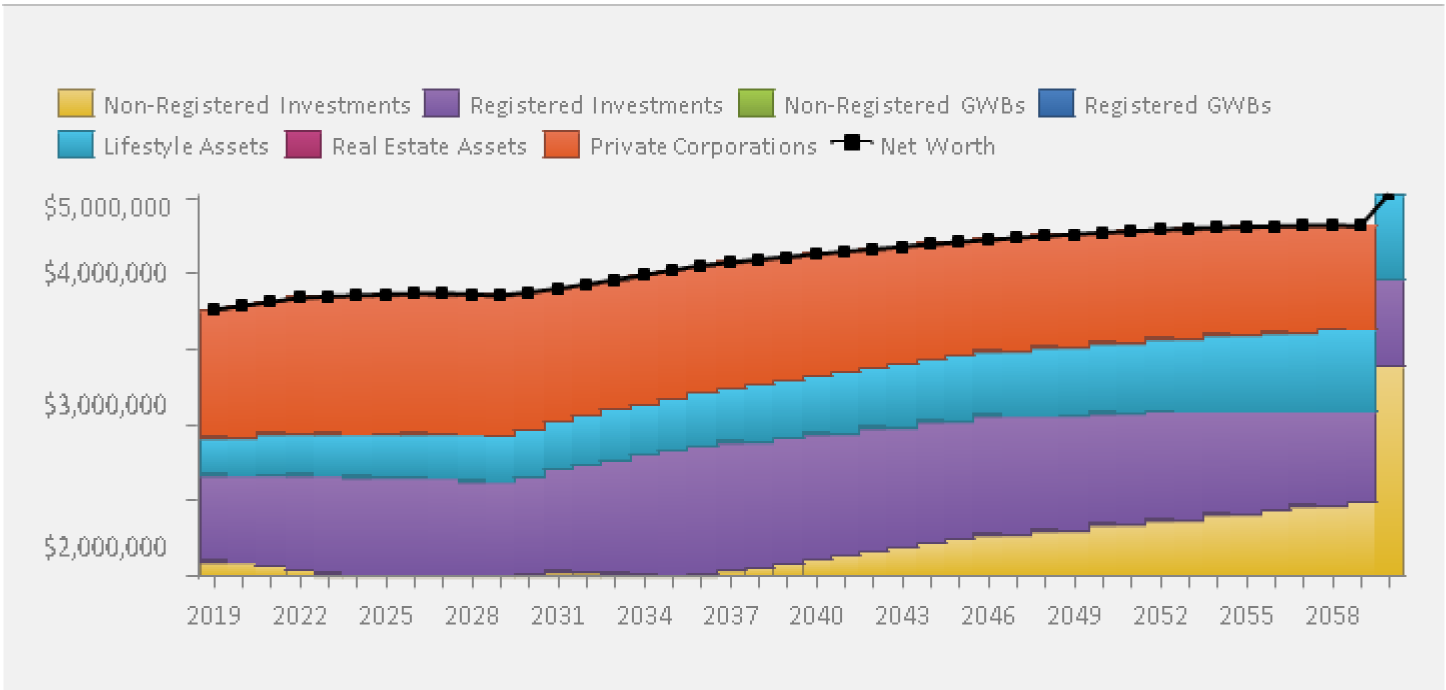
Retirement Analysis

Net Worth Timeline

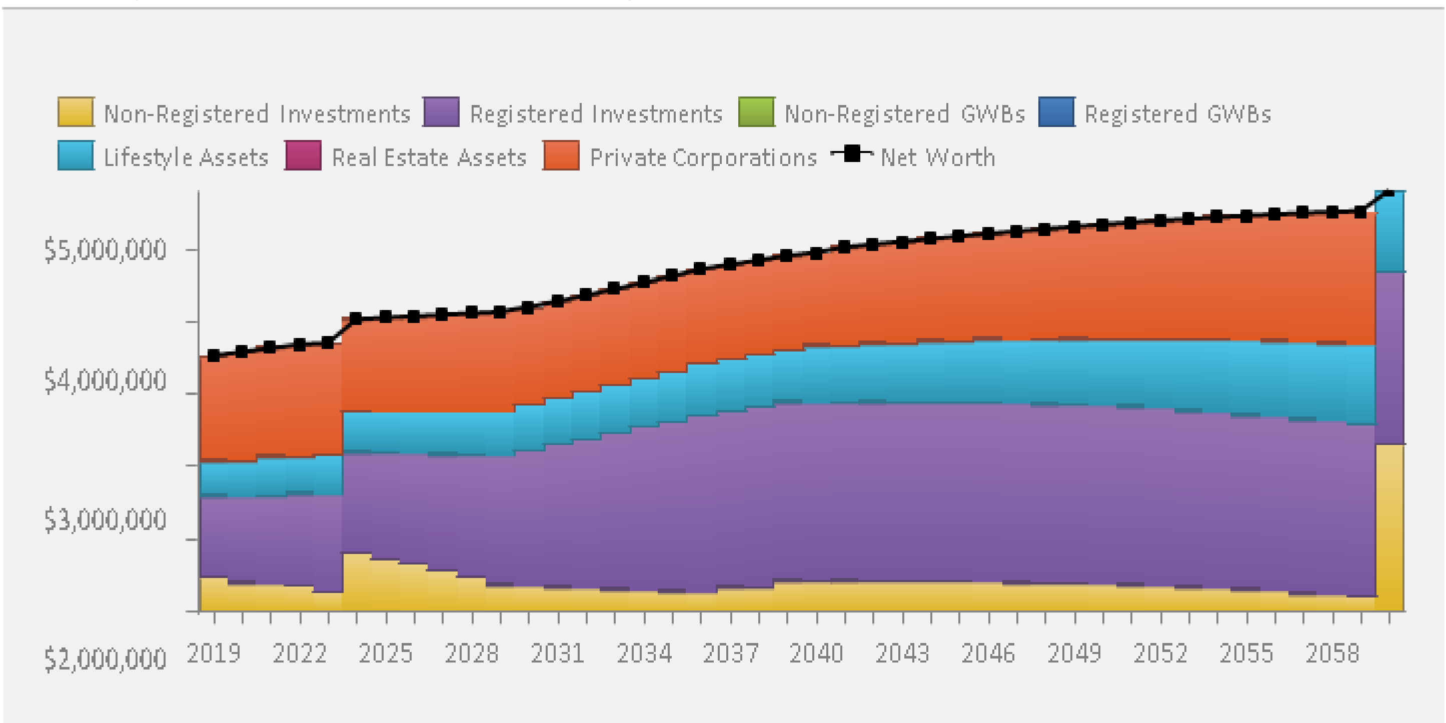
The following graphs display your net worth over time. You can see in each graph how each asset category contributes to total net worth throughout each scenario.

- The final year in each graph shows the estate assets after deemed disposition at death.
- The up-tick in the second graph shows the shift in assets created by illustrated Capital Dividend in 2023.

1. Current Plan – Fund Retirement Lifestyle Scenario



2. Strategic Asset Location Retirement Funding Scenario



Current Plan – Fund Retirement Lifestyle Scenario

Retirement Income & Expenses

Current Plan – Fund Retirement Lifestyle Scenario

This report shows your annual cash flow during the full retirement period, for the selected scenario.

Year	Age	CPP/QPP & OAS	Earned Income	Minimums	Additional Registered Proceeds	Non-Registered Proceeds**	Private Corporation Inflows	Fixed Needs (incl.	Total Needs (incl. taxes)	Shortfall
2023	*58/58	$0	$31,000	$0	$38,204	$53,357	$0	$122,561	$122,561	-
2024	59/59	$0	$31,000	$0	$66,307	$27,299	$26,498	$151,104	$151,104	-
2025	60/60	$0	$31,000	$0	$67,880	$27,845	$27,028	$153,753	$153,753	-
2026	61/61	$0	$31,000	$0	$69,481	$28,402	$27,568	$156,451	$156,451	-
2027	62/62	$0	$31,000	$0	$79,796	$28,970	$28,120	$167,886	$167,886	-
2028	63/63	$0	$31,000	$0	$94,741	$29,550	$28,682	$183,973	$183,973	-
2029	64/64	$0	$31,000	$0	$96,944	$30,141	$29,256	$187,340	$187,340	-
2030	65/65	$36,768	$31,000	$0	$0	$73,893	$85,793	$227,454	$227,454	-
2031	66/66	$47,819	$31,000	$0	$0	$67,481	$87,509	$233,808	$233,808	-
2032	67/67	$48,775	$31,000	$0	$0	$69,072	$77,919	$226,767	$226,767	-
2033	68/68	$49,750	$31,000	$0	$0	$70,575	$59,377	$210,702	$210,702	-
2034	69/69	$50,745	$31,000	$0	$0	$72,102	$60,564	$214,411	$214,411	-
2035	70/70	$51,760	$31,000	$0	$0	$73,653	$61,775	$218,189	$218,189	-
2036	71/71	$52,796	$31,000	$0	$5,643	$69,588	$63,011	$222,038	$222,038	-
2037	72/72	$53,851	$31,000	$84,509	$0	$18,210	$64,271	$251,841	$251,841	-
2038	73/73	$54,929	$31,000	$85,216	$0	$18,148	$65,557	$254,849	$254,849	-
2039	74/74	$56,027	$31,000	$85,939	$0	$19,471	$66,868	$259,305	$259,305	-
2040	75/75	$57,148	$31,000	$86,660	$0	$20,596	$68,205	$263,608	$263,608	-
2041	76/76	$58,291	$31,000	$87,360	$0	$13,415	$69,569	$274,985	$274,985	-
2042	77/77	$59,456	$31,000	$88,021	$0	$14,673	$70,960	$279,591	$279,591	-
2043	78/78	$60,645	$31,000	$88,910	$0	$16,321	$72,380	$284,907	$284,907	-
2044	79/79	$61,858	$31,000	$89,549	$0	$20,559	$73,827	$292,572	$292,572	-

Year	Age	CPP/QPP & OAS	Earned Income	Minimums	Additional Registered Proceeds	Non-Registered Proceeds**	Private Corporation Inflows	Fixed Needs (incl. taxes)	Total Needs (incl. taxes)	Shortfall
2045	80/80	$63,096	$31,000	$90,349	$0	$28,054	$75,304	$287,802	$287,802	-
2046	81/81	$64,358	$31,000	$91,114	$0	$29,615	$76,810	$292,896	$292,896	-
2047	82/82	$65,645	$31,000	$91,803	$0	$31,273	$52,231	$271,951	$271,951	-
2048	83/83	$66,957	$31,000	$92,625	$0	$32,808	$53,275	$276,665	$276,665	-
2049	84/84	$68,297	$31,000	$93,370	$0	$34,433	$54,341	$281,441	$281,441	-
2050	85/85	$69,663	$31,000	$94,090	$0	$36,117	$55,428	$286,298	$286,298	-
2051	86/86	$71,056	$31,000	$94,917	$0	$37,773	$56,536	$291,282	$291,282	-
2052	87/87	$72,477	$31,000	$95,603	$0	$39,565	$57,667	$296,312	$296,312	-
2041	88/88	$73,927	$31,000	$96,336	$0	$41,370	$58,820	$301,452	$301,452	-
2054	89/89	$75,405	$31,000	$97,110	$0	$43,192	$59,997	$306,704	$306,704	-
2055	90/90	$76,913	$31,000	$97,856	$0	$45,079	$61,197	$312,044	$312,044	-
2056	91/91	$78,451	$31,000	$98,518	$0	$47,068	$62,421	$317,458	$317,458	-
2057	92/92	$80,020	$31,000	$99,167	$0	$49,113	$63,669	$322,969	$322,969	-
2058	93/93	$81,621	$31,000	$99,804	$0	$51,650	$64,942	$329,018	$329,018	-
2059	94/94	$83,253	$31,000	$100,449	$0	$55,887	$66,241	$336,830	$336,830	-
2060	95/95	$89,918	$31,000	$100,910	$0	$0	$1,917,417	$679,394	$679,394	-

** = year of retirement*

** Non-registered proceeds include the inflow of taxable returns on the non-registered investment accounts as well as draws of capital from the non-registered investment accounts.

Private Corporation Projected Activity

A Plus Investments: Current Plan – Fund Retirement Lifestyle Scenario

Annual projection of A Plus Investments cash flow activities.

Year	Inflows	Outflows			Investment Accounts		
	Income from Investment Accounts	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflow/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2019	$38,097	$0	$0	$20,264	$17,833	$13,077	$1,203,294
2020	$39,122	$0	$0	$20,810	$18,312	$13,443	$1,235,049
2021	$40,176	$0	$0	$21,372	$18,804	$13,820	$1,267,673
2022	$41,259	$0	$0	$21,949	$19,310	$14,207	$1,301,190
2023	$42,372	$0	$0	$22,542	$19,830	$14,606	$1,335,626
2024	$43,045	$0	$26,498	$22,921	**($6,374)**	$15,122	$1,344,374
2025	$43,736	$0	$27,028	$23,310	**($6,602)**	$15,650	$1,353,423
2026	$44,446	$0	$27,568	$23,710	**($6,832)**	$16,191	$1,362,782
2027	$45,174	$0	$28,120	$24,119	**($7,065)**	$16,745	$1,372,462
2028	$45,922	$0	$28,682	$24,540	**($7,300)**	$17,311	$1,382,473
2029	$46,690	$0	$29,256	$24,974	**($7,539)**	$17,891	$1,392,826
2030	$47,478	$37,301	$29,841	$25,802	**($45,466)**	$18,485	$1,365,845
2031	$47,150	$38,047	$30,438	$21,723	**($43,058)**	$18,762	$1,341,549
2032	$47,129	$38,808	$19,707	$14,161	**($25,547)**	$19,044	$1,335,046
2033	$47,693	$39,584	$0	$14,299	**($6,190)**	$19,329	$1,348,185
2034	$48,259	$40,376	$0	$14,437	**($6,554)**	$19,619	$1,361,249
2035	$48,827	$41,184	$0	$14,576	**($6,932)**	$19,913	$1,374,230
2036	$49,398	$42,007	$0	$14,715	**($7,324)**	$20,211	$1,387,117
2037	$49,972	$42,847	$0	$14,855	**($7,731)**	$20,514	$1,399,901
2038	$50,547	$43,704	$0	$14,996	**($8,153)**	$20,822	$1,412,570

Year	Inflows	Outflows			Investment Accounts		
	Income from Investment Accounts	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflows/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2039	$49,972	$42,847	$0	$15,137	($8,590)	$21,134	$1,425,114
2040	$50,547	$43,704	$0	$16,899	($10,750)	$21,363	$1,435,727
2041	$51,125	$44,578	$0	$15,570	($9,945)	$21,522	$1,447,304
2042	$51,619	$45,470	$0	$15,526	($10,410)	$21,696	$1,458,590
2043	$52,004	$46,379	$0	$15,469	($10,890)	$21,865	$1,469,565
2044	$52,423	$47,307	$0	$15,400	($11,388)	$22,030	$1,480,207
2045	$52,832	$48,253	$0	$15,318	($11,906)	$22,189	$1,490,490
2046	$53,229	$49,218	$0	$15,224	($12,443)	$22,343	$1,500,390
2047	$53,615	$50,203	$0	$15,116	($13,001)	$22,492	$1,509,880
2048	$53,987	$51,207	$0	$14,995	($13,580)	$22,634	$1,518,933
2049	$54,346	$52,231	$0	$14,858	($14,181)	$22,770	$1,527,522
2050	$54,690	$53,275	$0	$14,706	($14,805)	$22,898	$1,535,615
2051	$55,018	$54,341	$0	$14,538	($15,452)	$23,020	$1,543,182
2052	$55,329	$55,428	$0	$14,353	($16,124)	$23,133	$1,550,192
2053	$55,622	$56,536	$0	$14,150	($16,821)	$23,238	$1,556,609
2054	$55,896	$57,667	$0	$13,929	($17,543)	$23,334	$1,562,400
2055	$56,150	$58,820	$0	$13,689	($18,293)	$23,421	$1,567,528
2056	$56,382	$59,997	$0	$13,428	($19,071)	$23,498	$1,571,955
2057	$56,592	$61,197	$0	$13,146	($19,877)	$23,564	$1,575,642
2058	$56,778	$62,421	$0	$12,958	($20,828)	$23,620	$1,578,434
2059	$57,173	$66,241	$0	$13,161	($22,229)	($22,229)	$1,579,866
2060	$55,586	$67,566	$0	$1,590,913	($1,602,893)	($1,602,893)	$0

**Other Inflows includes proceeds from shares issued, proceeds on the sale of real estate assets and life insurance proceeds received.*

***Other Outflows includes taxes, life insurance premiums, account fees, share redemptions and liabilities.*

****Value of Investment Accounts is the end-of-year value for all investment accounts.*

Private Corporation Projected Activity

100 #'d Alberta Limited: Current Plan – Fund Retirement Lifestyle Scenario

Annual projection of 100 #'d Alberta Limited cash flow activities.

Year	Inflows		Outflows			Investment Accounts		
	Income from Investment Accounts	Other Inflows*	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflow/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2019	$17,763	$0	$0	$0	$20,264	**($100,510)**	$13,077	$1,203,294
2020	$290,670	$0	$0	$0	$20,810	$197,271	$13,443	$1,235,049
2021	$298,199	$0	$0	$0	$21,372	$201,394	$13,820	$1,267,673
2022	$305,926	$0	$0	$0	$21,949	$204,906	$14,207	$1,301,190
2023	$319,622	$0	$0	$0	$22,542	$212,447	$14,606	$1,335,626
2024	$46,164	$0	$0	$0	$22,921	$1,078	$15,122	$1,344,374
2025	$46,543	$0	$0	$0	$23,310	$1,240	$15,650	$1,353,423
2026	$46,940	$0	$0	$0	$23,710	$1,416	$16,191	$1,362,782
2027	$47,355	$0	$0	$0	$24,119	$1,607	$16,745	$1,372,462
2028	$47,789	$0	$0	$0	$24,540	$1,812	$17,311	$1,382,473
2029	$48,243	$0	$0	$0	$24,974	$2,032	$17,891	$1,392,826
2030	$48,700	$0	$37,301	$0	$25,802	**($35,033)**	$18,485	$1,365,845
2031	$47,644	$0	$38,047	$0	$21,723	**($36,568)**	$18,762	$1,341,549
2032	$46,513	$0	$38,808	$0	$14,161	**($38,164)**	$19,044	$1,335,046
2033	$45,315	$0	$39,584	$0	$14,299	**($39,825)**	$19,329	$1,348,185
2034	$44,049	$0	$40,376	$0	$14,437	**($41,552)**	$19,619	$1,361,249
2035	$42,710	$0	$41,184	$0	$14,576	**($43,398)**	$19,913	$1,374,230
2036	$41,294	$0	$42,007	$0	$14,715	**($45,711)**	$20,211	$1,387,117
2037	$39,783	$0	$42,847	$0	$14,855	**($48,132)**	$20,514	$1,399,901
2038	$38,169	$0	$43,704	$0	$14,996	**($50,670)**	$20,822	$1,412,570

Year	Inflows		Outflows			Investment Accounts		
	Income from Investment Accounts	Other Inflows*	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflows/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2039	$36,448	$0	$44,578	$0	$45,202	**($53,333)**	$5,109	$942,402
2040	$34,618	$0	$45,470	$0	$45,268	**($56,120)**	$4,887	$891,169
2041	$32,675	$0	$46,379	$0	$45,351	**($59,056)**	$4,646	$836,759
2042	$30,617	$0	$47,307	$0	$45,421	**($62,111)**	$4,354	$779,003
2043	$28,433	$0	$48,253	$0	$45,475	**($65,294)**	$4,043	$717,751
2044	$26,118	$0	$49,218	$0	$45,525	**($68,626)**	$3,712	$652,837
2045	$23,663	$0	$50,203	$0	$45,573	**($72,112)**	$3,362	$584,087
2046	$21,064	$0	$51,207	$0	$45,616	**($75,759)**	$2,991	$511,319
2047	$18,312	$0	$0	$0	$40,693	**($22,381)**	$2,598	$491,536
2048	$17,555	$0	$0	$0	$40,557	**($23,002)**	$2,487	$471,021
2049	$16,778	$0	$0	$0	$40,450	**($23,672)**	$2,376	$449,725
2050	$15,963	$0	$0	$0	$40,284	**($24,321)**	$2,257	$427,661
2051	$15,128	$0	$0	$0	$40,188	**($25,060)**	$2,137	$404,739
2052	$14,251	$0	$0	$0	$39,981	**($25,730)**	$2,009	$381,018
2053	$13,341	$0	$0	$0	$39,878	**($26,537)**	$1,875	$356,356
2054	$12,407	$0	$0	$0	$39,748	**($27,341)**	$1,742	$330,757
2055	$11,434	$0	$0	$0	$39,555	**($28,122)**	$1,601	$304,237
2056	$10,430	$0	$0	$0	$39,433	**($29,003)**	$1,458	$276,691
2057	$9,388	$0	$0	$0	$39,270	**($29,882)**	$1,309	$248,118
2058	$8,308	$0	$0	$0	$39,107	**($30,799)**	$1,155	$218,474
2059	$7,187	$0	$0	$0	$39,062	**($31,875)**	$995	$187,594
2060	$855,694	$517,213	$0	$0	$998,602	$374,305	$701	$562,599

**Other Inflows includes proceeds from shares issued, proceeds on the sale of real estate assets and life insurance proceeds received.*

***Other Outflows includes taxes, life insurance premiums, account fees, share redemptions and liabilities.*

****Value of Investment Accounts is the end-of-year value for all investment accounts.*

Detailed Estate Analysis

Current Plan – Fund Retirement Lifestyle Scenario

This chart is designed to show the financial effects at the death of the 2nd surviving spouse in a given year, and the resulting impact of taxation on the estate.

	2019	2029	2039	2049	2060
Non-Registered Investments					
Joint Raymond James Account	$189,228	$0	$0	$0	$0
Surplus Non-Registered	$0	$0	$137,847	$606,980	$985,258
Subtotal	$189,228	$0	$137,847	$606,980	$985,258
Registered Investments					
Mrs. A's RRSP -901C	$103,347	$0	$0	$0	$0
Mrs. A's RRSP -731C	$64,030	$40,177	$52,795	$42,001	$17,188
Mr. A's TFSA Raymond J	$66,029	$0	$73,934	$192,029	$398,721
Mrs. A's TFSA Raymond J	$77,870	$0	$67,091	$158,644	$293,406
IPP for Mr. A - 101C	$110,307	$136,838	$143,908	$91,141	$28,811
IPP for Mr. A - 081C	$152,753	$231,898	$298,925	$233,178	$93,321
IPP for MR. A - 111C	$169,430	$247,364	$306,555	$229,684	$87,824
IPP for Mr. A - 121C	$132,077	$202,753	$264,304	$208,551	$84,557
IPP for Mr. A - 521C	$139,519	$206,549	$259,588	$197,306	$76,679
IPP for Mr. A - 671C	$51,071	$80,691	$108,285	$88,019	$36,906
Mr. A's LIRA - 010	$46,500	$71,758	$94,037	$74,603	$30,434
Subtotal	$1,112,934	$1,218,029	$1,669,422	$1,515,155	$1,147,846
Private Corporations					
A Plus Investments	$653,294	$815,488	$797,976	$852,771	$854,689
100 #'d Alberta Limited	$1,030,874	$1,031,464	$836,761	$604,339	$444,941
Subtotal	$1,684,167	$1,846,953	$1,634,737	$1,457,110	$1,299,630
Lifestyle Assets					
Family Home	$499,000	$609,253	$742,677	$905,319	$1,125,650
Subtotal	$499,000	$609,253	$742,677	$905,319	$1,125,650
Real Estate Assets					
Subtotal	$0	$0	$0	$0	$0
Liabilities					
Subtotal	($0)	($0)	($0)	($0)	($0)
Pro-Forma Net Worth	**$3,485,329**	**$3,674,234**	**$4,184,682**	**$4,484,563**	**$4,558,384**

	2019	2029	2039	2049	2060
Insurance Proceeds					
Life Insurance on Mrs. A	$75,000	$75,000	$75,000	$75,000	$75,000
Life Insurance on Mr. A	$201,110	$201,110	$201,110	$201,110	$201,110
Subtotal	$276,110	$276,110	$276,110	$276,110	$276,110
Death Benefits					
CPP/QPP Death Benefits	$5,000	$5,000	$5,000	$5,000	$5,000
Subtotal	$5,000	$5,000	$5,000	$5,000	$5,000
Change in Value of Private Corporations	$209,435	$209,511	$198,475	$197,422	$225,727
Estate Before Taxes & Expenses	$3,975,874	$4,164,855	$4,664,267	$4,963,095	$5,065,221
Additional Income Taxes	($761,138)	($1,009,000)	($1,191,925)	($988,027)	($576,953)
Transfers on Death	$0	$0	$0	$0	$0
Charitable Bequests	($0)	($0)	($0)	($0)	($0)
Estate Expenses					
Subtotal	$0	$0	$0	$0	$0
Net Estate	**$3,214,736**	**$3,155,855**	**$3,472,342**	**$3,975,068**	**$4,488,268**
Net Estate (Today's $)	**$3,214,736**	**$2,588,901**	**$2,336,786**	**$2,194,519**	**$1,992,837**

Strategic Asset Location

Retirement Funding Scenario

Retirement Income & Expenses

Strategic Asset Location – Retirement Funding Scenario

This report shows your annual cash flow during the full retirement period, for the selected scenario.

Year	Age	CPP/QPP & OAS	Earned Income	Minimums	Additional Registered Proceeds	Non-Registered Proceeds**	Private Corporation Inflows	Fixed Needs (incl.	Total Needs (incl. taxes)	Shortfall
2023	*58/58	$0	$31,000	$0	$0	$92,123	$0	$123,123	$123,123	-
2024	59/59	$0	$31,000	$0	$0	$97,450	***$607,244	$735,694	$735,694	-
2025	60/60	$0	$31,000	$0	$0	$97,369	$0	$128,369	$128,369	-
2026	61/61	$0	$31,000	$0	$0	$99,424	$0	$130,424	$130,424	-
2027	62/62	$0	$31,000	$0	$0	$101,518	$0	$132,518	$132,518	-
2028	63/63	$0	$31,000	$0	$0	$103,652	$0	$134,652	$134,652	-
2029	64/64	$0	$31,000	$0	$0	$105,826	$0	$136,826	$136,826	-
2030	65/65	$36,768	$31,000	$0	$0	$59,725	$46,005	$173,498	$173,498	-
2031	66/66	$47,819	$31,000	$0	$0	$52,361	$46,925	$178,105	$178,105	-
2032	67/67	$48,775	$31,000	$0	$0	$54,643	$47,863	$182,281	$182,281	-
2033	68/68	$49,750	$31,000	$0	$0	$55,746	$48,821	$185,317	$185,317	-
2034	69/69	$50,745	$31,000	$0	$0	$57,303	$49,797	$188,846	$188,846	-
2035	70/70	$51,760	$31,000	$0	$0	$58,539	$50,793	$192,093	$192,093	-
2036	71/71	$52,796	$31,000	$0	$0	$59,792	$51,809	$195,396	$195,396	-
2037	72/72	$53,851	$31,000	$99,296	$0	$0	$52,845	$230,148	$230,148	-
2038	73/73	$54,929	$31,000	$100,144	$0	$0	$53,902	$232,420	$232,420	-
2039	74/74	$56,027	$31,000	$101,009	$0	$0	$52,621	$233,225	$233,225	-
2040	75/75	$57,148	$31,000	$101,872	$0	$0	$18,188	$198,861	$198,861	-
2041	76/76	$58,291	$31,000	$99,296	$0	$0	$18,552	$201,931	$201,931	-
2042	77/77	$59,456	$31,000	$100,144	$0	$15,125	$18,923	$197,005	$197,005	-
2043	78/78	$60,645	$0	$101,009	$0	$15,822	$19,301	$200,330	$200,330	-
2044	79/79	$61,858	$0	$101,872	$0	$16,745	$19,687	$203,618	$203,618	-

Year	Age	CPP/QPP & OAS	Earned Income	Minimums	Additional Registered Proceeds	Non-Registered Proceeds**	Private Corporation Inflows	Fixed Needs (incl. taxes)	Total Needs (incl. taxes)	Shortfall
2045	80/80	$63,096	$0	$106,281	$0	$17,570	$20,081	$207,027	$207,027	-
2046	81/81	$64,358	$0	$107,194	$0	$18,452	$20,483	$210,485	$210,485	-
2047	82/82	$65,645	$0	$108,017	$0	$19,423	$20,892	$213,977	$213,977	-
2048	83/83	$66,957	$0	$108,996	$0	$20,320	$21,310	$217,584	$217,584	-
2049	84/84	$68,297	$0	$109,886	$0	$21,307	$21,736	$221,226	$221,226	-
2050	85/85	$69,663	$0	$110,745	$0	$22,348	$22,171	$224,926	$224,926	-
2051	86/86	$71,056	$0	$111,729	$0	$23,335	$22,614	$228,734	$228,734	-
2052	87/87	$72,477	$0	$112,547	$0	$24,467	$23,067	$232,558	$232,558	-
2041	88/88	$73,927	$0	$113,420	$0	$25,596	$23,528	$236,471	$236,471	-
2054	89/89	$75,405	$0	$114,342	$0	$26,726	$23,999	$240,472	$240,472	-
2055	90/90	$76,913	$0	$115,230	$0	$27,914	$24,479	$244,535	$244,535	-
2056	91/91	$78,451	$0	$116,018	$0	$29,205	$24,968	$248,642	$248,642	-
2057	92/92	$80,020	$0	$116,792	$0	$30,541	$25,468	$252,821	$252,821	-
2058	93/93	$81,621	$0	$117,551	$0	$31,925	$25,977	$257,074	$257,074	-
2059	94/94	$83,253	$0	$118,317	$0	$33,341	$26,496	$261,408	$261,408	-
2060	95/95	$89,918	$0	$118,869	$0	$0	$2,519,295	$883,087	$883,087	-

** = year of retirement*

** Non-registered proceeds include the inflow of taxable returns on the non-registered investment accounts as well as draws of capital from the non-registered investment accounts.

***2024 Private Corporation Inflows represents the CDA dividend (tax-free) after sale of Operating Business and illustrated capital gains on corporate liquid investment accounts.

Private Corporation Projected Activity

A PLUS Investments: Strategic Asset Location – Retirement Funding

Annual projection of A Plus Investments cash flow activities.

Year	Inflows	Outflows			Investment Accounts		
	Income from Investment Accounts	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflow/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2019	$38,097	$0	$247,138	$18,254	**($227,295)**	$13,077	$958,166
2020	$29,895	$12,240	$0	$10,762	$6,892	$9,683	$974,741
2021	$30,392	$12,485	$0	$12,492	$5,415	$9,830	$989,986
2022	$30,838	$12,734	$0	$12,700	$5,404	$9,955	$1,005,345
2023	$31,287	$12,989	$0	$12,904	$5,394	$10,080	$1,020,819
2024	$31,930	$13,249	$0	$13,183	$5,498	$10,403	$1,036,719
2025	$32,693	$13,514	$0	$13,542	$5,636	$10,840	$1,053,196
2026	$33,480	$13,784	$0	$13,928	$5,768	$11,289	$1,070,253
2027	$34,293	$14,060	$0	$14,327	$5,906	$11,752	$1,087,911
2028	$35,131	$14,341	$0	$14,739	$6,051	$12,227	$1,106,189
2029	$35,996	$14,628	$0	$15,166	$6,202	$12,716	$1,125,107
2030	$36,888	$14,920	$0	$15,606	$6,361	$13,219	$1,144,687
2031	$37,808	$15,219	$0	$16,062	$6,527	$13,736	$1,164,950
2032	$38,757	$15,523	$0	$16,533	$6,700	$14,268	$1,185,918
2033	$39,735	$15,834	$0	$17,020	$6,882	$14,815	$1,207,615
2034	$40,745	$16,150	$0	$17,523	$7,072	$15,378	$1,230,065
2035	$41,786	$16,473	$0	$18,043	$7,270	$15,956	$1,253,292
2036	$42,860	$16,803	$0	$18,751	$7,307	$16,552	$1,277,150
2037	$43,962	$17,139	$0	$19,551	$7,272	$17,161	$1,301,583
2038	$45,089	$17,482	$0	$20,369	$7,238	$17,784	$1,326,606

Year	Inflows	Outflows			Investment Accounts		
	Income from Investment Accounts	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflows/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2039	$46,242	$17,831	$0	$21,206	$7,205	$18,421	$1,352,232
2040	$47,422	$18,188	$0	$22,062	$7,173	$19,073	$1,378,478
2041	$48,630	$18,552	$0	$22,937	$7,141	$19,739	$1,405,357
2042	$49,865	$18,923	$0	$23,833	$7,110	$20,420	$1,432,887
2043	$51,130	$19,301	$0	$24,749	$7,080	$21,116	$1,461,083
2044	$52,209	$19,687	$0	$25,393	$7,129	$21,607	$1,489,820
2045	$53,236	$20,081	$0	$27,368	$5,787	$22,032	$1,517,639
2046	$54,229	$20,483	$0	$27,283	$6,463	$22,443	$1,546,545
2047	$55,261	$20,892	$0	$27,823	$6,546	$22,870	$1,575,961
2048	$56,311	$21,310	$0	$28,373	$6,628	$23,305	$1,605,894
2049	$57,380	$21,736	$0	$28,933	$6,711	$23,747	$1,636,352
2050	$58,468	$22,171	$0	$29,501	$6,795	$24,197	$1,667,345
2051	$59,574	$22,614	$0	$30,079	$6,881	$24,655	$1,698,881
2052	$60,700	$23,067	$0	$30,666	$6,967	$25,121	$1,730,970
2053	$61,846	$23,528	$0	$31,263	$7,054	$25,595	$1,763,619
2054	$63,011	$23,999	$0	$31,870	$7,143	$26,078	$1,796,840
2055	$64,197	$24,479	$0	$32,487	$7,232	$26,569	$1,830,640
2056	$65,404	$24,968	$0	$33,113	$7,322	$27,068	$1,865,030
2057	$66,631	$25,468	$0	$33,750	$7,413	$27,576	$1,900,019
2058	$67,880	$25,977	$0	$34,398	$7,505	$28,093	$1,935,617
2059	$69,151	$26,496	$0	$35,056	$7,598	$28,619	$1,971,835
2060	$68,805	$27,026	$0	$2,042,111	($2,000,332)	$28,498	$0

**Other Inflows includes proceeds from shares issued, proceeds on the sale of real estate assets and life insurance proceeds received.*

***Other Outflows includes taxes, life insurance premiums, account fees, share redemptions and liabilities.*

****Value of Investment Accounts is the end-of-year value for all investment accounts.*

Private Corporation Projected Activity

100 #'d Alberta Limited: Strategic Asset Location – Retirement Funding

Annual projection of 100 #'d Alberta Limited cash flow activities.

Year	Inflows		Outflows			Investment Accounts		
	Income from Investment Accounts	Other Inflows*	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflow/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2019	$17,763	$0	$0	$0	$118,273	**($100,510)**	$2,230	$440,926
2020	$290,670	$0	$0	$0	$93,399	$197,271	$2,124	$640,321
2021	$298,199	$0	$0	$0	$96,805	$201,394	$3,204	$844,918
2022	$305,926	$0	$0	$0	$101,019	$204,906	$4,300	$1,054,124
2023	$319,622	$0	$0	$0	$107,175	$212,447	$4,966	$1,271,536
2024	$24,075	$0	$607,244	$0	$36,276	**($619,445)**	$2,682	$654,773
2025	$22,675	$0	$28,154	$0	$38,379	**($43,858)**	$3,082	$613,996
2026	$21,114	$0	$28,717	$0	$31,994	**($39,597)**	$2,854	$577,254
2027	$19,706	$0	$29,291	$0	$31,319	**($40,905)**	$2,649	$538,998
2028	$18,239	$0	$29,877	$0	$31,066	**($42,704)**	$2,434	$498,729
2029	$16,697	$0	$30,475	$0	$30,307	**($44,085)**	$2,209	$456,853
2030	$15,093	$0	$31,084	$0	$30,431	**($46,422)**	$1,975	$412,405
2031	$13,392	$0	$31,706	$0	$30,035	**($48,350)**	$1,727	$365,782
2032	$11,606	$0	$32,340	$0	$29,600	**($50,334)**	$1,474	$316,922
2033	$9,730	$0	$32,987	$0	$28,499	**($51,756)**	$1,246	$266,413
2034	$7,790	$0	$33,647	$0	$28,621	**($54,478)**	$1,011	$212,946
2035	$5,738	$0	$34,320	$0	$28,048	**($56,630)**	$763	$157,080
2036	$3,579	$0	$35,006	$0	$27,470	**($58,897)**	$455	$98,638
2037	$1,318	$0	$35,706	$0	$26,827	**($61,215)**	$124	$37,547
2038	$349	$0	$0	$0	$35,668	**($35,320)**	$20	$2,247

Year	Inflows		Outflows			Investment Accounts		
	Income from Investment Accounts	Other Inflows*	Dividend Distribution	Shareholder Loan Repayment	Other Outflows**	Net Inflows/ (Outflows)	Deferred Growth	Value of Investment Accounts***
2039	$7	$0	$0	$0	$33,913	**($33,906)**	($1)	$0
2040	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2041	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2042	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2043	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2044	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2045	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2046	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2047	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2048	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2049	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2050	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2051	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2052	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2053	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2054	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2055	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2056	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2057	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2058	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2059	$0	$0	$0	$0	$33,773	**($33,773)**	$0	$0
2060	$849,949	$517,213	$0	$0	$440,571	$926,591	$0	$219,471

Other Inflows includes proceeds from shares issued, proceeds on the sale of real estate assets and life insurance proceeds received.

**Other Outflows includes taxes, life insurance premiums, account fees, share redemptions and liabilities.*

***Value of Investment Accounts is the end-of-year value for all investment accounts.*

Detailed Estate Analysis

Strategic Asset Location – Retirement Funding

This chart is designed to show the financial effects at the death of the 2nd surviving spouse in a given year, and the resulting impact of taxation on the estate.

	2019	2029	2039	2049	2060
Non-Registered Investments					
Joint Raymond James Account	$188,567	$0	$0	$0	$0
SURPLUS NON-REGISTERED	$247,138	$353,434	$390,100	$377,407	$162,566
Subtotal	$435,705	$353,434	$390,100	$377,407	$162,566
Registered Investments					
Mrs. A's RRSP -901C	$103,347	$152,443	$190,888	$144,546	$55,937
Mrs. A's RRSP -731C	$64,030	$99,077	$130,192	$103,574	$42,385
Mr. A's TFSA RaymondJ	$66,029	$179,746	$356,440	$630,984	$1,111,494
Mrs. A's TFSA Raymond J	$77,870	$172,860	$298,139	$463,366	$706,573
IPP for Mr. A - 101C	$110,307	$136,838	$143,908	$91,141	$28,811
IPP for Mr. A - 081C	$152,753	$231,898	$298,925	$233,178	$93,321
IPP for MR. A - 111C	$169,430	$247,364	$306,555	$229,684	$87,824
IPP for Mr. A - 121C	$132,077	$202,753	$264,304	$208,551	$84,557
IPP for Mr. A - 521C	$139,519	$206,549	$259,588	$197,306	$76,679
IPP for Mr. A - 671C	$51,071	$80,691	$108,285	$88,019	$36,906
Mr. A's LIRA - 010	$46,500	$71,758	$94,037	$74,603	$30,434
Subtotal	$1,112,934	$1,781,978	$2,451,261	$2,464,951	$2,354,922
Private Corporations					
A PLUS Investments	$408,166	$664,089	$845,462	$1,084,373	$1,411,571
100 #'d Alberta Limited	$1,030,874	$682,104	$436,130	$433,581	$349,350
Subtotal	$1,439,039	$1,346,193	$1,281,592	$1,517,954	$1,760,921
Lifestyle Assets					
Family Home	$499,000	$609,253	$742,677	$905,319	$1,125,650
Subtotal	$499,000	$609,253	$742,677	$905,319	$1,125,650
Real Estate Assets					
Subtotal	$0	$0	$0	$0	$0
Liabilities					
Subtotal	($0)	($0)	($0)	($0)	($0)
Pro-Forma Net Worth	**$3,486,678**	**$4,090,858**	**$4,865,630**	**$5,265,631**	**$5,404,059**

	2019	2029	2039	2049	2060
Insurance Proceeds					
Life Insurance on Mrs. A	$75,000	$75,000	$75,000	$75,000	$75,000
Life Insurance on Mr. A	$201,110	$201,110	$201,110	$201,110	$201,110
Subtotal	$276,110	$276,110	$276,110	$276,110	$276,110
Death Benefits					
CPP/QPP Death Benefits	$5,000	$5,000	$5,000	$5,000	$5,000
Subtotal	$5,000	$5,000	$5,000	$5,000	$5,000
Change in Value of Private Corporations	$207,425	$210,272	$202,194	$151,784	$242,119
Estate Before Taxes & Expenses	$3,976,013	$4,582,240	$5,348,934	$5,698,525	$5,927,288
Additional Income Taxes	($655,723)	($1,083,109)	($1,322,719)	($1,196,502)	($886,046)
Transfers on Death	$0	$0	$0	$0	$0
Charitable Bequests	($0)	($0)	($0)	($0)	($0)
Estate Expenses					
Subtotal	$0	$0	$0	$0	$0
Net Estate	**$3,320,290**	**$3,499,131**	**$4,026,215**	**$4,502,023**	**$5,041,241**
Net Estate (Today's $)	**$3,320,290**	**$2,870,506**	**$2,709,527**	**$2,485,436**	**$2,238,363**

Tax Integration and Planning for Retirement with Private Corporations:

The Canadian income tax system is designed in such a way that an individual should be indifferent between earning income personally or through a private corporation. The principle of integration is such that an individual *should* pay the same amount of tax on income whether that income was earned personally or earned (and taxed) through a corporation and then paid out as a dividend to be taxed in the shareholder's hands. In reality, integration is not perfect, and there is not seamless tax integration. This can be magnified in the unique circumstances of each private company and its shareholders, including classes of shareholders.

Investment income retained inside of a corporation is currently taxed at:

Canadian Dividends:	38.3%
Interest Income:	50.7%
Capital Gains:	25.3%

A portion of the tax on investment income is refundable through the RDTOH mechanism and capital dividends are not taxable.

While personal tax rates are graduated higher with higher income, our analysis indicates that your personal income tax rates illustrated through the planning horizon are at or below the following marginal rates:

Canadian Dividends:	22.3%
Earned Income and Interest Income:	30.5%
Capital Gains:	15.3%
Capital Dividends:	Not taxed

When deciding the amount of dividends to flow out you should take into consideration the personal tax liability versus the tax rate applied to investment income retained within a corporation. The amount of dividends flowed out should not incur a personal tax liability that is greater than the retained corporate taxes over the life of the account.

Fortunately, flowing out dividends has the effect of triggering refundable dividend taxes inside the corporation, reducing the tax rate on passive income generated in the investment account. Assuming the asset allocation of the corporate investment account does not contain interest bearing securities (or such portion is significantly small); tax rates can be significantly reduced once Refundable Dividend Tax on Hand (RDTOH) is taken into consideration.

Consider paying out yearly dividends to utilize the Eligible and Non-eligible Refundable Dividend Tax On Hand (ERDTOH and NRDTOH) and Capital Dividend Account (CDA) balances.

We recommend you speak with your experienced accountant each year to determine the best income allocation.

Capital Dividend Account

The Capital Dividend Account (CDA) is a notional account that allows shareholders to receive tax-free dividends. The CDA account includes: capital dividends received from other corporations, the non-taxable portion of capital gains net of capital losses on eligible capital property, life insurance proceeds in excess of the ACB of the policy, certain distributions received from a trust, etc. It is important to consider regularly paying-out the CDA account as capital losses may negatively affect the available amount. Consider paying capital dividends to shareholders that will benefit most from this tax-free distribution.

Your retirement income strategies included here include an assumption that the sale of the shares of the Operating Business will trigger capital gains upon the disposition of the shares. In addition, your private corporation investment portfolios are illustrated to earn capital gains. We assumed that you will first take advantage of available CDA and GRIP balances by distributing non-taxable capital dividends and taxable eligible dividends before distributing taxable non-eligible dividends.

Family Members as Shareholders

It is generally not advised to include family members as shareholders of your company unless they are active full-time in the operation and/or have made a significant contribution to the business. Some reasons for this are due to the potential for inter-personal conflicts, succession issues, tax issues pertinent to connected persons, goals of the shareholders, and the impact of shareholder personal circumstances on the private corporation or shareholder value. This can become even more complicated if the family member has voting shares of the corporation. And, if there is no shareholder agreement in place, it can magnify the challenges.

One example of this relates to the risk of the family shares being transferred to someone outside of the family due to the personal circumstances of one family shareholder. Dissolution of a marriage or inter-dependent relationship or personal insolvency/liability could result in the shares being transferred away from the family shareholder, causing problems for the company and/or other shareholders. We recommend you consult with your experienced tax and legal advisors on the implications for you of having family members as shareholders. There are significant risks and considerations for you to work through with their guidance.

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Share Classes

Generally, corporations are required to treat all shareholders equally. However, when a company has different classes of shares, a corporation can distinguish between the classes, and provide different treatment to each class, depending on the rights of the share class. For example, when a company declares a dividend, it must pay that dividend pro-rata to all the shares unless there are different classes of shares. With different classes of shares, the company can declare a dividend to one class at the exclusion of the other classes.

This is important for your retirement income planning in light of the fact that your children, now grown, own shares of one of your corporations, 1022460 Alberta Ltd. All dividends declared need to be paid to all shares unless there are different share classes. If you own a different share class than your grown children, your share class can receive a dividend to the exclusion of the other share class owned by your children. We recommend you confirm with your experienced tax and legal advisors what share classes have been issued by your corporation, and discuss the value of ensuring that you have different classes of shares issued to different individual shareholders.

Taxable Shareholder Benefits

When a corporation confers a benefit on a shareholder, it is generally treated as a taxable benefit. The value of the benefit is added to the shareholder's taxable income in the year it is conferred. This can include loans to shareholders. We recommend you consult with you corporate tax accountant about your shareholders, potential taxable shareholder benefits and any actions or strategies necessary.

IPP: *Time-Sensitive Matters to Address Due to Employment Change This Year*

During your working years the CRA restricts the actuarial assumptions used to calculate the pre-funding contributions available for your IPP to prevent excessive tax deductibility by the corporation. However, at retirement the plan is able to be amended. The actuary is able to alter the assumptions previously used to calculate the IPP funding and benefits. The more conservative assumptions generally create additional contribution room. The opportunity to fund the additional contribution room is known as Terminal Funding.

Conversely, when your employer no longer sponsors your IPP, upon termination, you may be required to:

- Transfer the value of your pension to another pension plan, if you are joining a new one that allows such a transfer.
- Transfer it to a Locked-in Retirement Account or Income Fund (LIRA or LIF).
    - But, the full plan value may not qualify to transfer tax-free. The non-locked in cash value may go back to your original plan sponsor on a taxable basis or be paid to you on a taxable basis.

<u>Prior</u> to your employer terminating sponsorship or prior to you leaving the plan, you should have this fully assessed before making a decision with tax consequences to you and your employer.

We recommend you consult with your corporate tax accountant/ pension plan administrator-actuaries as terminal funding may provide additional tax planning opportunities, and termination of the plan may have significant financial impact on your pension.

Retirement Analysis

Timing the Start of CPP and OAS

When you start your pension impacts your income and your income tax.

Reduced CPP from age 60 – 65: If you take the CPP Retirement Pension early, it is reduced by 0.6% for each month you receive it before age 65 (7.2% per year). Taking CPP at the age of 60 will result in receiving 36% less than taking it at 65.

Full CPP at age 65: If you start receiving your pension at age 65, you get the full pension amount you are entitled to receive, starting the month after your 65th birthday.

Increased CPP after age 65: If you take your pension after 65, you monthly pension amount will increase by 0.7% for each month after age 65 that you delay receiving it up to age 70 (8.4% per year). Receiving your CPP at age 70 means receiving 42% more per month than taking it at age 65.

Full OAS at age 65: If you start receiving your pension at age 65, you get the full pension amount you are entitled to receive.

Increased OAS after age 65: If you take your pension after age 65, your monthly pension amount will increase by 0.6% for each month (7.2% per year) after age 65 that you delay receiving it up to age 70. Receiving your OAS at age 70 means receiving 36% more per month than taking it at age 65.

CPP Child Rearing Provision: if you stopped working or received lower earnings to raise your children, you may be able to use the child-rearing provision to increase your CPP benefits. You can apply for the child-rearing provision.

Deciding when to take your CPP and OAS pension depends on your personal circumstances. Consider the following:

- Your CPP pension entitlement;
- Your other retirement income;
- Company pension plan integration with CPP;
- Your employment status after age 60;
- Your current health and family history;
- Your retirement plans, including cash flow requirements.

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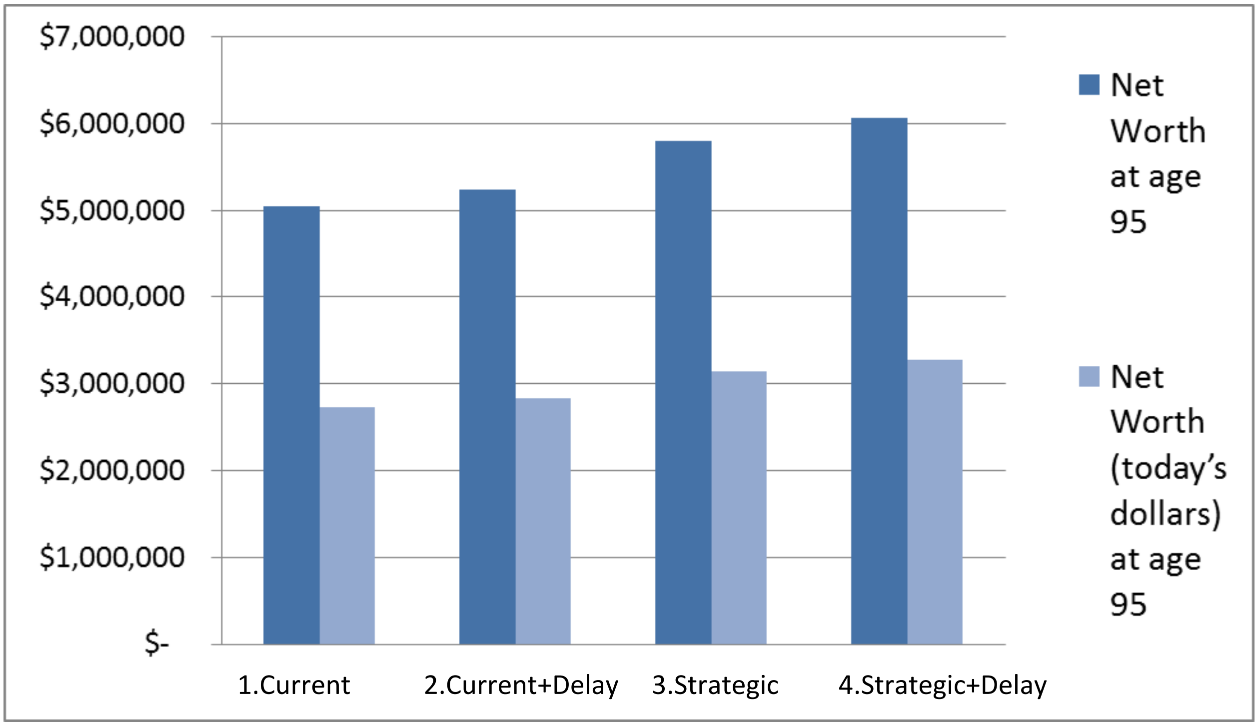
Retirement Analysis

Timing the Start of CPP and OAS Continued

Our analysis indicates that by taking CPP and OAS later, delaying to age 70 for both of you, you are projected to be better off financially in comparison to starting pension at age 65.



	1. Current Scenario	2.Current Scenario Delay CPP/OAS to age 70	3.Strategic Scenario	4.Strategic Scenario Delay CPP/OAS to age 70	
Net Worth at age 95	$ 5,051,091	**$ 5,233,182**	$ 5,797,991	**$ 6,064,942**	
Net Worth today's dollars	$ 2,733,882	**$ 2,832,438**	$ 3,138,139	**$ 3,282,625**	

Retirement Analysis

Additional Notes

Maximize TFSA Contributions

Contribute to your Tax Free Savings Account (TFSA) before you invest in your non-registered portfolio. Alternatively, you can contribute to your and your spouse's plan by transferring funds from non-registered investments. For contributions in-kind, consult with your financial advisor, as there are tax consequences of such transfers.

Maximize RRSP Contributions

A Registered Retirement Savings Plan (RRSP) is an account used to save for retirement. Allowable contribution amounts are based on a person's previous earned income subject to a maximum. Following are details and some of the advantages of a RRSP:

- Contributions are tax deductible. *A person can also elect to save deductions for future years.*
- Earnings within a RRSP are tax-sheltered until withdrawal.
- Unused contribution room can be carried forward.

RRSP accounts must be converted to Registered Retirement Income Funds (RRIF) the year a person turns 71.

At the time this report was prepared, Mrs. A had RRSP contribution room of $157,802 and Mr. A had contribution room of $17,199.

We recommend you consult with your accountant to determine about contributing to your RRSP, benefiting from tax-sheltered earnings, and claiming the deduction in ideal years with a higher marginal income tax rate. Your accountant can evaluate maximizing your RRSP contribution sooner rather than later. Sheltering your investments from tax while they are growing and carrying forward the RRSP deduction to claim in the ideal income tax years may be projected to help you be better off financially than not using the RRSP advantages.

Pension Income Splitting

Spouses are allowed to split up to 50% of eligible pension income, including RRIF/LIF payments (beginning at age 65, however, the receiving spouse is not required to be 65 years of age or older to receive an allocation), for tax purposes. Please consult with your accountant as you might benefit from these strategies and save tax by equalizing your retirement income. However, claw back of OAS and senior's tax credits must be considered.

50% Unlocking Provision

Locked-in Retirement Accounts (LIRAs) hold locked-in pension funds in trust for a former plan member or their approved beneficiary. Money in the plan is payable to the individual only to provide retirement income. Certain requirements must be met to be eligible for payments, and are subject to minimum and maximum payments.

However, some LIRAs are eligible to apply for a provision unlocking 50% of the account funds and moving them to an RRSP or RRIF. This is done at the time of conversion to a Lifetime Income Fund (LIF). This enhances access to your retirement funds, allowing you to draw the cash you require without a maximum limit of the locked-in account.

Mr. A may be eligible for the 50% unlocking provision, which would allow more flexibility in accessing retirement funds as needed.

Retirement Analysis

Additional Notes Continued

Multiple Financial Institutions/Advisors Considerations:

With assets at more than one financial institution, you may want to consider the following:

- *Ensure Adequate Asset Allocation*. Take the time to ensure that your assets are allocated according to your investor profile and risk tolerance across all accounts at all institutions.
- *Avoid Duplication*. Operating in silos, investment advisors can end up duplicating each other's work, rather than diversifying. Take time to ensure there is no overlap.
- *Tax Efficiency.* When viewing a total portfolio, assets can be distributed tax efficiently. This could include keeping fixed income in RRSPs, dividend-paying Canadian equities in personal non-registered portfolios, high-growth equities in TFSAs, etc. Take time to ensure the tax-efficiency of your total portfolio across all financial institutions.
- *Simplify Management*. Track and understand your statements for personal, corporate and income tax purposes. Plan the use of financial assets to meet income needs before and during retirement. This also simplifies the task of administering your estate after your death or should you become incapacitated.

Retirement Risk Management

Retirement Risk Management requires that we look at the financial impact from some significant retirement risks. Addressing some of these risks answers questions such as:

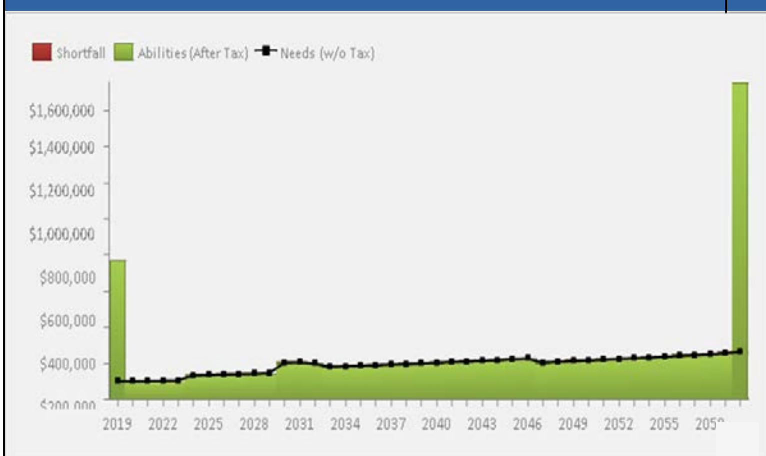
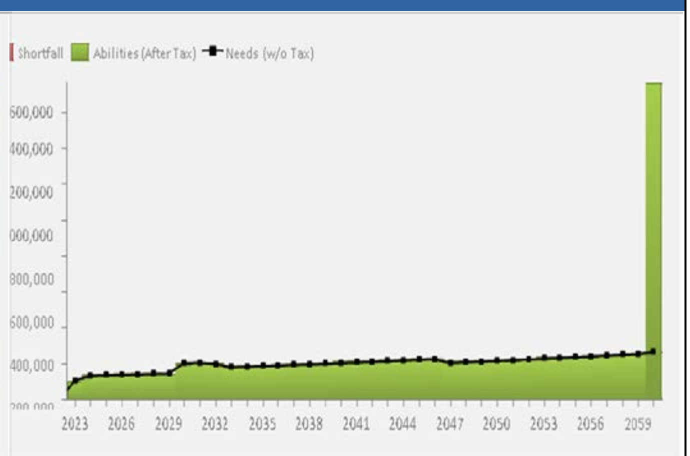
- What if one or both of you die prematurely? What are the capital needs of the survivor?
- What if Mr. A is disabled during his employment with Operating Business and the sale is incomplete?
- What if you live well beyond life expectancy? What is the Longevity Risk?
- What if your costs go up, such as from increased health care costs?
- What if your investments do not grow as projected? What is the impact on retirement income?

This analysis is done using information you provided to us about your income, expenditures, assets and insurance details.

Survivor Capital Needs

This survivor capital needs analysis examines the financial implications of the death of your spouse in the current year. The projections are based on the assumption that the survivor's lifestyle would reduce to 80% of the current/retirement lifestyle.

The charts below illustrate your future projected cash inflows to your cash outflows. Yearly deficits are reflected by any red bars below and represent a year in which your ability to cover needs will not be sufficient.

<table>
<tr><th>On Mr. A's death at age 54</th><th>On Mrs. A's death at age 54</th></tr>
<tr><td>
</td><td>
</td></tr>
<tr><td>Current Coverage: $700,000 (Permanent)</td><td>Current Coverage: $75,000 (Permanent)</td></tr>
</table>

We have identified no capital/income loss in the event of the death of either Mr. A or Mrs. A in the current year.

Long Term Disability Risk

In the event that a long-term disability prevents Mr. A from completing his employment contract with Operating Business as a condition of fulfilling the sale of the business, it could result in the incomplete sale of Operating Business. We have identified no capital/ retirement income loss in the event of an incomplete sale of the business.

Longevity Risk

The Planning Horizon illustrated retirement needs to age 95. Beyond 95, retirement income needs are illustrated to be met until age 120 (2085).

Retirement Risk Management

Continued

Assisted/Supportive Long Term Health Care

Statistics Canada tells us that over 1 million Canadian Seniors receive home care or supportive living care in Canada. This care is to provide support with activities of daily living and medical care.

The average cost of supportive living care in Alberta is $4,000 per month. What is the financial impact if Mr. A or Mrs. A experiences a need for supportive living or long term care? Let's assume:

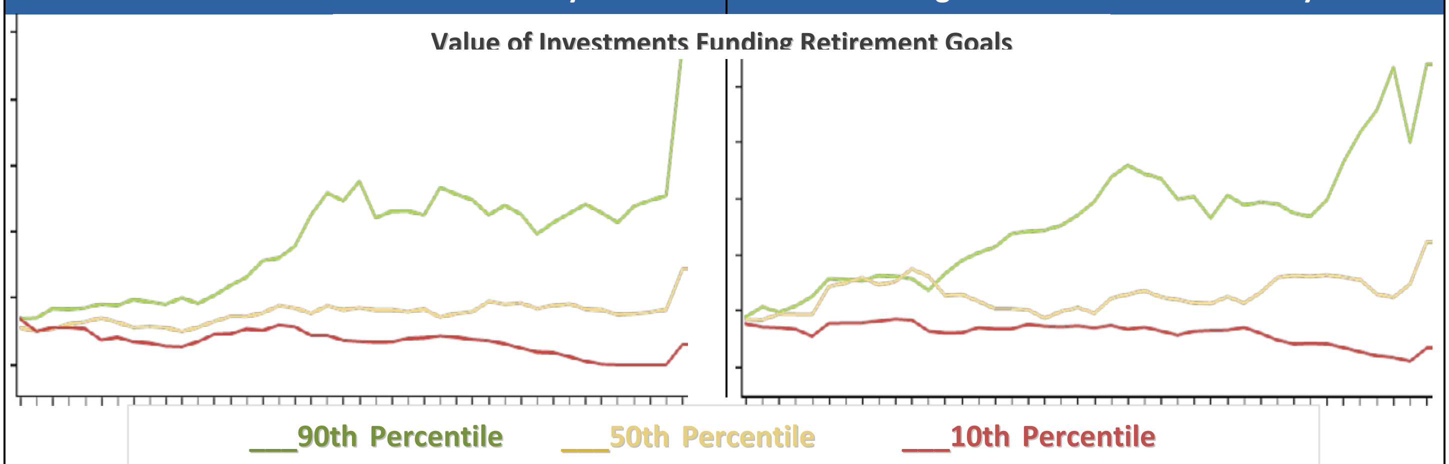
1. Supportive or long term care is required for one spouse at age 87 for seven years until death at 95.
2. This level of care is a new living expense of $4,000 per month.
3. The remaining regular retirement expenses for the other spouse drop to 65% of the retirement goal.

We have identified no capital/income loss from the financial impact of increased medical care expenses in the event of requiring home care or assisted living care.

Portfolio Return Sensitivity Analysis

There is underlying uncertainty or risk in your financial situation that can lead to different outcomes. Simply put, probability analysis determines the financial effect of asset portfolio risk. You can see how variability in asset performance over time leads to variability in results. The charts below represent the simulation outcomes in a total of 500 trials generated for each scenario. Rates of return were randomized based on the average return rate and standard deviations (performance volatility). Each line of the charts represents a proportion of the trials generated and the resulting value of investments over the full planning horizon from 2019 to 2060.

Current Plan Scenario Sensitivity	Strategic Asset Location Sensitivity



Probability of Success = 78%	Probability of Success = 91%

Our analysis suggests the Strategic Asset Location Scenario is projected to provide more flexibility to respond to potential asset performance volatility. Further analysis indicates that the Strategic Scenario with a lower risk/return profile on its portfolio (moderate conservative) reduces the simulated probability of success to 87%.

Estate Planning

Tax Liability

When an individual dies, all worldwide assets are deemed disposed of at fair market value and taxed accordingly in their final income tax return. For couples, assets are able to transfer to the surviving spouse on a tax-free rollover election. Provided that real estate and non-registered investments are owned jointly, and spouses have designated each other as beneficiaries of their registered plans, there should be no tax liability on assets left to the surviving spouse. These assets will be taxed when sold or on the survivor's death (assuming no remarriage). We can expect the following types of assets to be strongly affected:

- RRSPs/RRIFs – 100% taxable as income
- Capital assets held outside of TFSAs – 50% of capital gain taxable as income (including real estate other than the principal residence)

Corporate Windup

Upon second spouse passing, there is a deemed disposition and reacquisition of private corporate shares at fair market value potentially resulting in a taxable event. If the assets inside of the corporation are liquidated there may be potential capital gains tax owing (secondary taxable event). Finally, if the executor distributes a dividend it may result in a third taxable event, depending on the type of dividend distributed (capital vs. eligible/non-eligible).

Corporate Estate Bond

Our analysis suggests that by using a financial strategy that combines the loss-carryback provisions with corporately owned life insurance, funded with corporate surplus, you are projected to be better-off financially. By replacing the taxable investments with a life insurance policy, you have increased funds available to your heirs when you die, reduce the amount of current and future tax your corporation pays, and create a mechanism, through the Capital Dividend Account, to move funds out of your corporation tax-free when you die. See the Appendix of this Report for more details.

In consultation with your corporate tax accountant and lawyer, ensure you have a strategy in place to prevent potential triple taxation of your corporate assets on passing. You may also consider winding up your corporation during your lifetime for ease of administration and elimination of ongoing fees and expenses.

Estate administration

Estate administration involves a lengthy process of notifying interested parties, collecting the deceased's assets, creating an inventory, obtaining court approval, obtaining clearances from the Canada Revenue Agency and eventually distributing the estate. This process takes time and often involves the work of accounting and legal professionals. A conservative assumption is that the total administration costs are equal to 5% of the gross value of the estate.

Estate Planning

Continued

Probate

In Alberta, probate fees are among the lowest in Canada. The highest probate cost, which applies to estates over $250,000, is $525. Until the probate is granted, the executor may or may not have control over the investments and may not be able to protect the assets. Couples can avoid the costs and delays associated with probate by holding assets in joint names, where applicable. All testators should consider designating specific beneficiaries of registered plans and life insurance policies (if any).

Estate Planning Considerations

- Wills and Powers of Attorney for property and personal care should be reviewed every three to five years, or when there is a significant change in one's situation.
- Ensure primary and contingent beneficiaries are named on all registered plans and life insurance policies. This will allow the assets to pass outside of your estate, avoiding the costs and delays associated with probate.
- Ensure a well-drafted shareholder agreement is in place for your private company holdings.
- Prepare an estate memorandum to ensure that critical information, such as location of original will, advisors' contact, banking and investment information will be available to your attorney and/or executor during your incapacity or in the event of your death.
- Executors of an estate containing shares of a private corporation should be particularly careful to seek out the appropriate advice in administering the estate to ensure tax minimization for the estate and its beneficiaries.

Action Plan

The development of a Personal Financial Strategy is an important step in changing your financial destiny. However, only the implementation of that strategy will bring the desired results. The following checklist provides you with a series of steps that will ensure your strategy becomes a reality.

Meet with your Financial Advisor to	Time Frame	Completed
Review and Understand your Personal Financial Strategy analysis and confirm the assumptions made.	Within 3 months	☐
Discuss the financial strategies you want to action, and prepare an implementation action list.	Within 3 months	☐

Meet with your Financial Advisor and your qualified tax advisor to	Time Frame	Completed
Obtain from your pension actuaries updated calculations regarding the options with your IPP. We can incorporate this information into your Personal Financial Strategy and illustrate impact of your decisions. Evaluate the decisions that need to be made regarding your IPP prior to termination of employer sponsorship triggered by business sale.	As soon As possible	☐
Discuss maximizing your RRSP contributions, TFSAs before you invest in a non-registered portfolio.	Within 3 months	☐
Discuss the most tax efficient and effective way to draw down from your personal and corporate investment accounts.	Within 3 months	☐
Discuss the most tax efficient location of your current corporate assets as you prepare for retirement.	Within 3 months	☐
Discuss the tax implications of your current estate strategy and preparing for tax efficient and effective corporate windup.	Within 3 months	☐

Meet with Advisor and a qualified legal advisor to	Time Frame	Completed
Review your wills and powers of attorney for property and personal care, in light of your transition into retirement with private corporations.	Every 3 to 5 years	☐
Discuss naming primary and contingent beneficiaries on all registered plans to allow the assets to pass outside of your estate.	Within 3 months	☐
Discuss preparing an estate memorandum to ensure that critical information will be available to your attorney and/or executor, with special focus on the complexities inherent with private corporations.	Within 3 months	☐

Over the next couple years you should continue to review and refine your personal financial strategy to ensure that it reflects your intentions and expectations.

Appendix A – Corporate Estate Bond

Corporate Life Insurance

Corporate Estate Bond Analysis

With Corporately-Owned Permanent Life Insurance

You are projected to have a significant surplus of investment capital in A Plus Investments and 100 #'d Alberta Limited. As part of an overall effective retirement income and tax strategy, that surplus is not anticipated to be paid to you personally. To avoid double and triple taxation, you are projected to be better off financially with a financial strategy, Corporate Estate Bond, which can allow you to tax efficiently and effectively transfer a portion of that surplus to your heirs.

This analysis is done using information you provided to us about your income, expenditures, assets and insurance details.

This financial strategy combines current tax legislation with a permanent life insurance policy funded by the surplus cash in your corporation or corporations. By replacing the taxable investments with a life insurance policy, you are projected to:

- Increase the funds available to your heirs when you die;
- Reduce the amount of current and future tax your corporation pays; and
- Create a mechanism to move funds out of your corporation tax free when you die.

How does this work? Your corporation purchases a permanent life insurance policy on your life and is the beneficiary of the policy. This is an additional policy to the one already owned by your #'d corporation.

- The corporation deposits funds into the policy;
- Any funds in excess of what is needed to pay the policy charges accumulates on a tax-deferred basis, increasing the death benefit payable under the policy;
- When you die, your corporation receives the proceeds of the policy tax free.
- The corporation receives a credit to its capital dividend account for the amount of the life insurance proceeds, less the insurance policy's adjusted cost basis.
- Capital Dividends can be paid, tax free, to your estate out of the capital dividend account.

The following summarizes the Corporate Estate Bond information, including corporate life insurance information (**death benefit and investment account growth at current dividend/investment scale*):

Life Insurance Policy Information	*Current Plan – Fund Retirement Scenario With Current Policy*	*Corporate Estate Bond Strategy With Current Policy and New Policy*
Insured, $500,000 Base Coverage-current	*Mr. A*	*Mr. A*
Owner and Beneficiary – current policy	*100 #'d AB Ltd.*	*100 #'d AB Ltd.*
Annual Premium – current policy	*$2773.20*	*$2773.20*
Death Benefit at age 95* - current	*$500,000 + Cash Value*	*$500,000 + Cash Value*
Capital Dividend Account Credit at 95*	*$500,000 minus policy ACB*	*$500,000 minus policy ACB*
Cash Value at 95* - current policy	*Cash Value at Withdrawal*	*Cash Value at Withdrawal*
Insured, $1,000,000 Base Coverage (2nd)	-	*Mr. A and Mrs. A*
Owner and Beneficiary (2nd policy)	-	*100 #'d AB Ltd.*
Annual Deposit, pay 10 years (2nd policy)	-	*$60,000 for 10 years*
Death Benefit at age 95* (2nd policy)	-	*$3,736,802*
Capital Dividend Account Credit at 95*	-	*$3,736,802*
Cash Value at 95 * (2nd policy)	-	*$3,273,689*

Corporate Estate Bond Analysis

With Corporately-Owned Permanent Life Insurance Continued

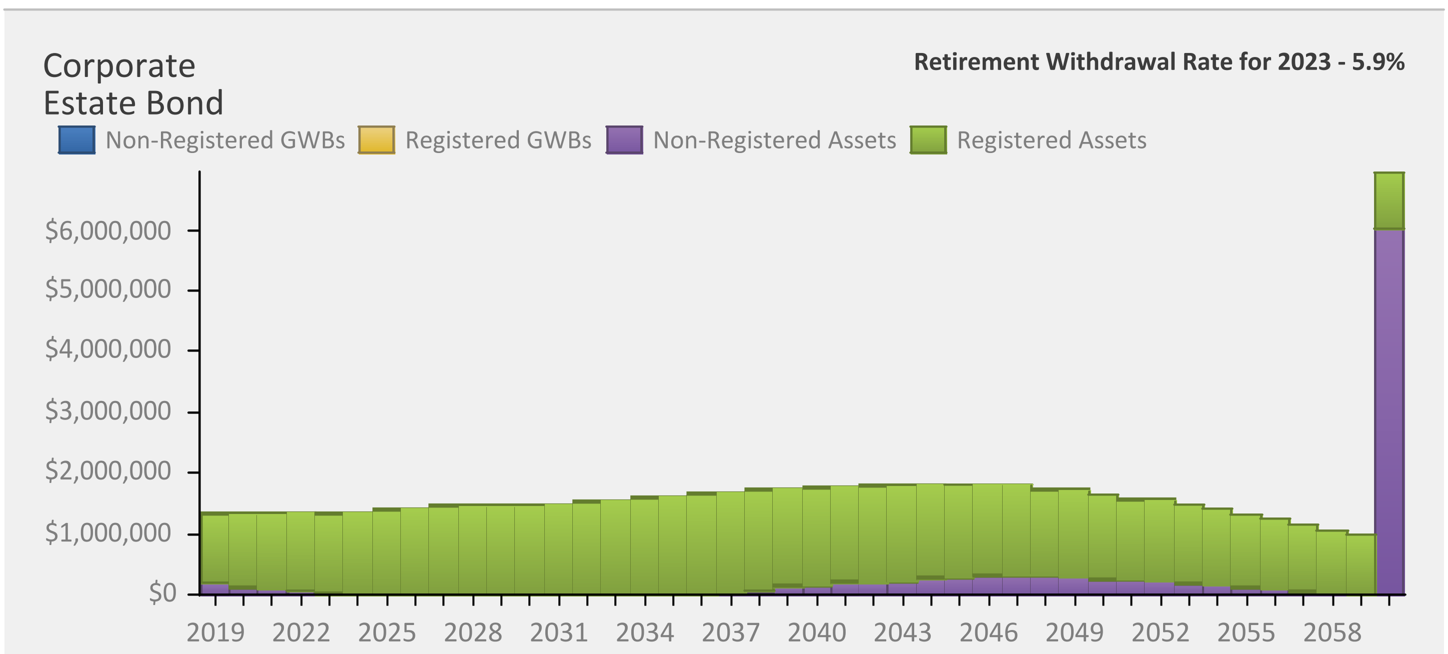
The following summarizes your estate for both scenarios, assuming both Mr. A and Mrs. A pass away in year 2060 (age 95/95).

Estate Analysis (2060)	*Current Plan – Fund Retirement Scenario*	*Corporate Estate Bond Strategy*
Corporate Life Insurance	*$500,000*	*$1,500,000*
Estate Before Taxes and Expenses	*$5,065,221*	*$9,144,223*
Estate Tax Liability	*$576,953*	*$1,529,656*
Final Net Estate	***$4,486,268***	***$7,614,567***

The following compares key estate change in the alternative scenario, Corporate Estate Bond Strategy, in relation to the Current Plan – Fund Retirement Scenario, assuming both Mr. A and Mrs. A pass away in year 2060 (age 95/95).

Comparative Summary (2060)	*Current Plan – Fund Retirement Scenario*	*Corporate Estate Bond Strategy*
Estate Before Taxes and Expenses	-	▲ *$4,079,002*
Final Net Estate	-	▲ ***$3,128,299***

The following displays the changes in your capital over the planning horizon. The large spike of capital in 2060 is due to the payment of the life insurance benefits, assuming both Mr. A and Mrs. A pass away in year 2060 (age 95/95).



Detailed Estate Analysis

Corporate Estate Bond

This chart is designed to show the financial effects at the death of the 2nd surviving spouse in a given year, and the resulting impact of taxation on the estate.

	2019	2029	2039	2049	2060
Non-Registered Investments					
Joint Raymond James Account	$188,567	$0	$0	$0	$0
Surplus Non-Registered	$0	$0	$117,584	$298,917	$0
Subtotal	$188,567	$0	$ 117,584	$ 298,917	$0
Registered Investments					
Mrs. A's RRSP -901C CIBC	$103,347	$152,443	$0	$0	$0
Mrs. A's RRSP -731C CIBC	$64,030	$99,077	$97,270	$77,383	$31,667
Mr. A's TFSA Raymond	$66,029	$4,600	$19,692	$107,748	$227,374
Mrs. A's TFSA Raymond	$77,870	$4,898	$19,049	$95,283	$173,189
IPP for Mr. A - 101C CIBC	$110,307	$136,838	$143,908	$91,141	$28,811
IPP for Mr. A - 081C	$152,753	$231,898	$298,925	$233,178	$93,321
IPP for MR. A - 111C CIBC	$169,430	$247,364	$306,555	$229,684	$87,824
IPP for Mr. A - 121C CIBC	$132,077	$202,753	$264,304	$208,551	$84,557
IPP for Mr. A - 521C CIBC	$139,519	$206,549	$259,588	$197,306	$76,679
IPP for Mr. A - 671C	$51,071	$80,691	$108,285	$88,019	$36,906
Mr. A's LIRA - CIBC WG	$46,500	$71,758	$94,037	$74,603	$30,434
Subtotal	$1,112,934	$1,438,870	$1,611,613	$1,402,895	$870,763
Private Corporations					
A PLUS Investments	$632,695	$762,495	$1,039,319	$1,863,076	$3,495,847
100 #'d Alberta Limited	$1,030,874	$920,533	$676,921	$402,581	$171,524
Subtotal	$1,663,569	$1,683,028	$1,716,240	$2,265,657	$3,667,371
Lifestyle Assets					
Family Home	$499,800	$609,253	$742,677	$905,319	$1,125,650
Subtotal	$499,800	$609,253	$742,677	$905,319	$1,125,650
Liabilities					
Subtotal	($0)	($0)	($0)	($0)	($0)
Pro-Forma Net Worth	**$3,464,869**	**$3,731,151**	**$4,188,113**	**$4,872,787**	**$5,663,783**

	2019	2029	2039	2049	2060
Insurance Proceeds					
Life Insurance on Mrs. A	$75,000	$75,000	$75,000	$75,000	$75,000
Life Insurance on Mr. A	$201,110	$201,110	$201,110	$201,110	$201,110
Subtotal	$276,110	$276,110	$276,110	$276,110	$276,110
Death Benefits					
CPP/QPP Death Benefits	$5,000	$5,000	$5,000	$5,000	$5,000
Subtotal	$5,000	$5,000	$5,000	$5,000	$5,000
Change in Value of Private Corporations	$1,208,875	$2,053,177	$1,212,393	$1,895,003	$3,199,329
Estate Before Taxes & Expenses	$4,954,854	$6,065,438	$5,681,616	$7,048,900	$9,144,223
Additional Income Taxes	($823,027)	($1,308,655)	($1,264,981)	($1,353,186)	($1,529,656)
Transfers on Death	$0	$0	$0	$0	$0
Charitable Bequests	($0)	($0)	($0)	($0)	($0)
Estate Expenses					
Subtotal	$0	$0	$0	$0	$0
Net Estate	**$4,131,828**	**$4,756,783**	**$4,416,635**	**$5,695,714**	**$7,614,567**
Net Estate (Today's $)	**$4,131,828**	**$3,902,219**	**$2,972,269**	**$3,144,438**	**$3,380,945**

The above noted Change In Value of Private Corporations reflects the life insurance benefits illustrated in the Corporate Estate Bond Scenario.