



SAGIUM

**FINANCIAL
PLAN**

**PREPARED FOR:
CLIENT & SPOUSE**

PREPARED BY:

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MAY 2019

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ABOUT YOU

PERSONAL PROFILE

The following is a summary of you, including what is important to you and the things that have created the motivation for you to engage in planning.

ABOUT YOU

FAMILY DYNAMIC

You are currently both in your early fifties. You have a Son and Daughter, both of which currently live at home and are pursuing post-secondary education. Each of your parents are still very much a part of your lives, and you take pride in the good relationships you have with Family and the people close to you.

Your Daughter has a diagnosed disability and although she is quite independent you want to ensure that she is adequately supported throughout her life, along with her younger brother.

Spouse's parents have established quite a significant amount of wealth, to which she is currently able to participate in through her shareholding in their investment company. Although it is not something you want to have to rely on for your achieving your own financial independence goals, you understand that it could provide for additional planning opportunities in the future upon their eventual passing.

INTERESTS & HOBBIES

Your family is very active and you like spending time with your kids and as a family. You enjoy down-hill skiing in the winter, spending time at your recreation property in the summer, relaxing and enjoying the occasional glass of wine!

CAREER

You are both well established in your careers. Client is a Vice President and has been in management for 20+ years and the professional services industry for 10+ years. Spouse is a practicing occupational therapist who has operated her own practice for 30+ years. The practice has been affiliated with the provincial government employment program for 10+ years.

RETIREMENT

Client enjoys his job and expects to continue working full-time until age 65. Spouse would like to reduce her work-week to three days a week as soon as possible and consider full retirement at age 60. You both intend to spend your retirement doing project work around the house and at your recreation property; take another trip to Europe as well as to Eastern Canada, as well as annual trips to the Caribbean. You would also like volunteer in some capacity.

PHILOSOPHY

You both take pride in your ability to create your own wealth and support your family. You strive to create a balance between living and enjoyment now, while saving and being prepared for the future. You would like to take care of your kids for as long as they need (financial/non-financial) while instilling proper values around money, wealth, and empathy.

ABOUT YOU

YOUR VALUES

Your Values form the basis for all of your planning decisions. In order to achieve meaningful growth towards your goals it is important to first identify the underlying drivers towards self-fulfillment. These are the Values that you have identified by which you would ideally live your life.

YOUR VALUES

CLIENT

| VALUE | DETAILS |
|---------------|--|
| FAMILY | Not to give the kids everything but to teach them and help them learn through family experiences and time together especially at the Lake |
| HEALTH | Physical fitness needs to be a priority in order to enjoy the next 50 years. Goal to be able to keep up with the kid's physical activity. Mindfulness needs focus to maintain well-being |
| WEALTH | Focus on the security and freedom our wealth will provide not to spend to excess but to be able to travel and spend valuable time with family and enjoy those experiences |
| GIVING | Giving back to our community and causes to be an important part of my future for continued engagement now and especially into retirement |
| DEPENDABILITY | I want to be known for my dependability and be there for not only family but friends and colleagues and community |

SPOUSE

| VALUE | DETAILS |
|-----------|--|
| FAMILY | Continue to maintain strong relationships with our children. Support them as they develop into independent, happy and successful adults |
| HEALTH | Physical and mental health will be a priority to help us move into the retirement years of our life, enabling us to live the best life we can |
| SECURITY | Financial security and family/social stability. We would like to be able to embrace life without being held back by financial restraints. Having said that, we don't need significant wealth to live in excess. Having strong family bonds and social connections is important |
| HAPPINESS | What is life about if you aren't happy in it? (it all matters - marriage, family, finances, physical and mental well being) |
| INTIMACY | Close relationships with my husband and the kids (and their future families) as well as strong social connections. Having that supportive network for when we need it but also for us to provide that intimate connection for those close to us who may need it |

ABOUT YOU

GOALS & OBJECTIVES

You would like to do your best to ensure that your financial means allow you to accomplish your goals now and in the future. The following summarizes your planning goals & objectives.

GOALS & OBJECTIVES

CASH FLOW

- Gain a better understanding of what you are currently spending in order to set a reasonable goal for your retirement spending.
- Determine the impact of Spouse's transition to semi-retirement and ultimate retirement including any adjustments necessary to your lifestyle spending & savings strategies.
- Determine whether your finances will allow you to consider adding an additional expense of \$10,000 annually for family vacations now and in retirement.

RETIREMENT

- Evaluate how your spending may change in retirement and set a realistic spending goal.
- Determine whether your current financial means and savings strategies will allow you to live a comfortable retirement.

INVESTING

- Determine how and where to distribute a \$370,000 sum of money currently sitting in cash.
- Ensure that your overall portfolios are aligned with your goals and individual risk profiles, and that your investment managers are held accountable for performance, fees, and the value they provide.

RISK MANAGEMENT

- Review current coverages for life, disability, and critical illness and evaluate the impact of a possible event.

EDUCATION

- Fully fund both your Son & Daughter's remaining high school and post-secondary educations.

DEBT REPAYMENT

- Pay off your approximately \$115,000 in debt prior to retirement.

GIFTING

- Gift \$100,000 to each of your children from the proceeds of your rental property sale without jeopardizing your retirement goals.

ESTATE & LEGACY

- Review your current legacy strategies to ensure that you transfer any remaining wealth in the most efficient way possible to family and worthy causes.
- Understand the impact of future inheritances on your retirement and legacy goals.

OTHER

- Ensure that your Daughter is properly supported throughout her lifetime.

CURRENT SITUATION

FINANCIAL PROFILE

You would like to do your best to ensure that your financial means allow you to accomplish your goals now and in the future. The following summarizes your planning goals & objectives.

CURRENT SITUATION

INCOMES

- Client receives a salary from employment and income from his rental property.
- Spouse receives a salary from employment, earns additional income through her professional company which she distributes as dividends, and also receives distributions from her Parent's Investment Company.
- Your current combination of incomes allow you to pay your bills, support the daily activities of yourself and the kids, and take small trips in addition to supporting your current retirement and education savings, debt repayment, and insurance strategies.

SAVINGS

- Client has an RRSP savings program through work that matches a portion of his salary. He is currently maximizing his TFSA annually and had previously been making tactical RRSP contributions on a year-to-year basis.
- Spouse contributes to a defined benefit pension, maximizes her TFSA annually in addition to topping up her RRSP contribution above her pension contribution.
- You both have collectively been contributing the maximum to your children's RESP for several years, but are unsure whether to contribute this year.

DEBTS

- Client & Spouse collectively have \$115,000 in debt from mortgages, car and bank loans with interest rates ranging from 0.00% - 4.45%.

INVESTMENTS

- Client and Spouse have their investments managed through six different portfolio managers including two self-directed platforms.

LIFE INSURANCE

- Client has group Life Insurance through his work and three whole Life Insurance policies held privately, two of which he is still funding.
- Spouse is no longer insurable and has a universal Life Insurance policy placed prior to her insurability, which she continues to fund.

DISABILITY INSURANCE

- Client has disability insurance coverage through his work.
- Spouse is no longer insurable and does not currently have disability insurance coverage.

CRITICAL ILLNESS INSURANCE

- Client has a small critical illness insurance policy through his work.
- Spouse is no longer insurable and has a moderate critical illness insurance policy held privately.

CURRENT SITUATION

CURRENT NET WORTH

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

| Assets | Client | Spouse | Joint | Total |
|--|------------------|------------------|------------------|--------------------|
| Non-Registered Investments | | | | |
| Portfolio #5 Non-Registered | | \$91,687 | | \$91,687 |
| Portfolio #1 Investment Funds Spouse | | \$51,451 | | \$51,451 |
| Portfolio #1 Investment Funds Spouse 2 | | \$120,154 | | \$120,154 |
| USD Cash | | | \$680 | \$680 |
| Portfolio #4 Chequing Cash | | | \$8,713 | \$8,713 |
| Cash (to invest) | | \$368,460 | | \$368,460 |
| Total | \$0 | \$631,752 | \$9,393 | \$641,145 |
| Insurance Cash Values | | | | |
| Life Insurance #1 Client | \$142,106 | | | \$142,106 |
| Life Insurance #2 Client | \$16,740 | | | \$16,740 |
| Life Insurance #3 Client | \$91,865 | | | \$91,865 |
| Life Insurance #4 Spouse | | \$25,692 | | \$25,692 |
| Total | \$250,711 | \$25,692 | \$0 | \$276,403 |
| Registered Investments | | | | |
| Portfolio #1 RRSP Client | \$38,020 | | | \$38,020 |
| Portfolio #2 RRSP Client | \$40,353 | | | \$40,353 |
| Portfolio #3 RRSP Client | \$224,246 | | | \$224,246 |
| Portfolio #4 RRSP Client | \$13,332 | | | \$13,332 |
| Portfolio #1 TFSA Client | \$70,077 | | | \$70,077 |
| Portfolio #3 LIRA Client | \$131,639 | | | \$131,639 |
| Portfolio #3 LIRA2 Client | \$24,189 | | | \$24,189 |
| Portfolio #1 RRSP Spouse | | \$284,608 | | \$284,608 |
| Portfolio #5 RRSP Spouse | | \$11,089 | | \$11,089 |
| Portfolio #3 SpRRSP Spouse | | \$18,491 | | \$18,491 |
| Portfolio #6 RRSP Spouse | | \$12,954 | | \$12,954 |
| Portfolio #1 TFSA Spouse | | \$69,952 | | \$69,952 |
| Daughter's RESP | | | \$55,946 | \$55,946 |
| Son's RESP | | | \$46,917 | \$46,917 |
| Total | \$541,856 | \$397,094 | \$102,863 | \$1,041,813 |

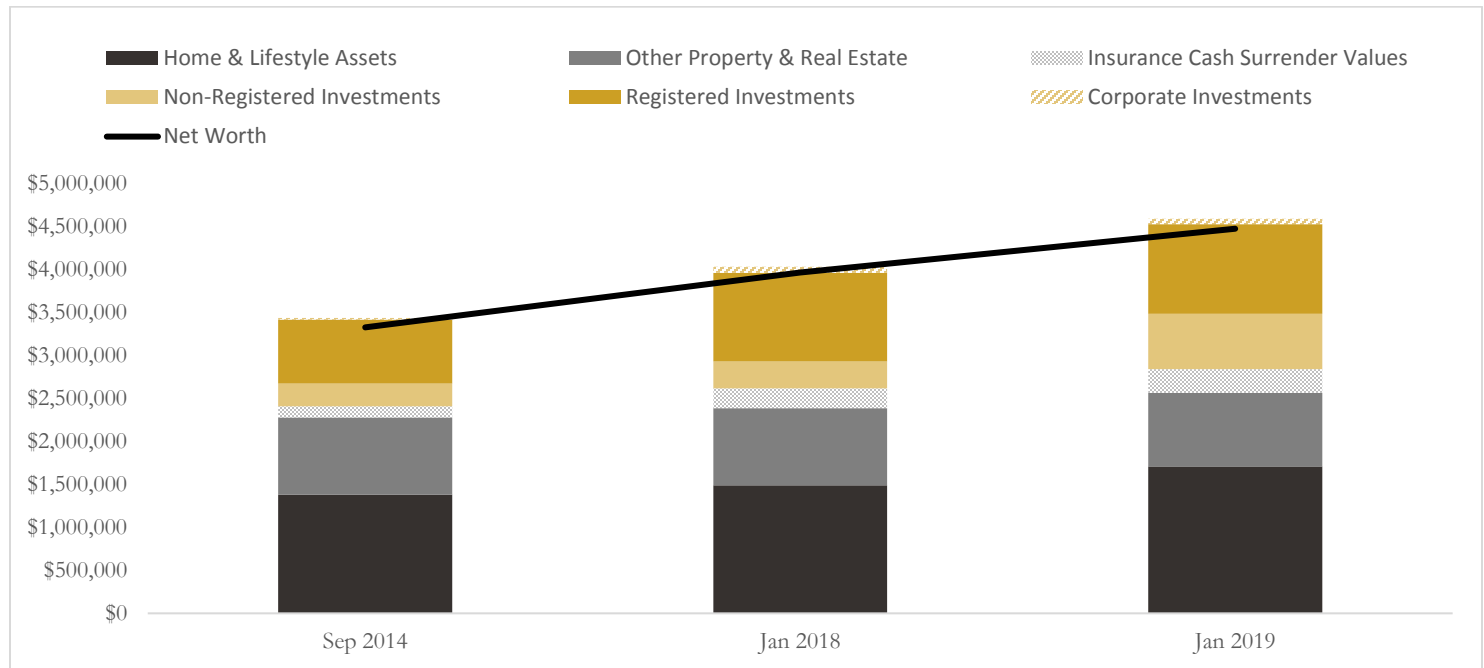
Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

| | | | | |
|---|------------------|--------------------|--------------------|--------------------|
| Home & Lifestyle Assets | | | | |
| Home | | | \$1,500,000 | \$1,500,000 |
| Cars | | | \$63,000 | \$63,000 |
| Household effects | | | \$50,000 | \$50,000 |
| Trailer, Boat, Toys | | | \$44,000 | \$44,000 |
| Art/Antiques | | | \$50,000 | \$50,000 |
| Total | \$0 | \$0 | \$1,707,000 | \$1,707,000 |
| Other Property & Real Estate | | | | |
| Recreation Property | | | \$105,000 | \$105,000 |
| Rental Property | | | \$750,000 | \$750,000 |
| Total | \$0 | \$0 | \$855,000 | \$855,000 |
| Corporate Investments | | | | |
| Spouse PC Cash | | | \$5,762 | \$5,762 |
| Spouse PC - Client | \$14,174 | | | \$14,174 |
| Spouse PC - Spouse | | \$42,521 | | \$42,521 |
| Total | \$14,174 | \$42,521 | \$5,762 | \$62,457 |
| Liabilities | Client | Spouse | Joint | Total |
| Client Car Loan | \$4,232 | | | \$4,232 |
| Spouse Car Loan | | \$37,487 | | \$37,487 |
| Bank Loan | | | \$27,000 | \$27,000 |
| Rental Mortgage | | | \$46,324 | \$46,324 |
| Total | \$4,232 | \$37,487 | \$73,324 | \$115,043 |
| Total Net Worth | \$802,509 | \$1,059,572 | \$2,606,694 | \$4,468,775 |

CURRENT SITUATION

HISTORIC NET WORTH

This report illustrates changes to your net worth by comparing historical net worth values to your current net worth. Use this report to identify the areas affecting your net worth over time.



| | Sep 2014 | Jan 2018 | Jan 2019 |
|---------------------------------|--------------------|--------------------|--------------------|
| Assets | | | |
| Home & Lifestyle Assets | \$1,380,000 | \$1,488,000 | \$1,707,000 |
| Other Property & Real Estate | \$895,000 | \$895,000 | \$855,000 |
| Non-Registered Investments | \$265,602 | \$313,338 | \$641,145 |
| Registered Investments | \$743,408 | \$1,026,760 | \$1,041,813 |
| Corporate Investments | \$18,840 | \$74,270 | \$62,457 |
| Insurance Cash Surrender Values | \$129,041 | \$231,329 | \$276,403 |
| Total Assets | \$3,431,891 | \$4,028,697 | \$4,583,818 |
| Liabilities | | | |
| Debt - Household | -\$109,365 | -\$70,045 | -\$115,043 |
| Total Liabilities | -\$109,365 | -\$70,045 | -\$115,043 |
| Net Worth | \$3,322,526 | \$3,958,652 | \$4,468,775 |
| \$ Change | - | \$636,126 | \$510,123 |
| % Change (annualized) | - | 6.38% | 12.89% |

PLAN RESULTS

FOR: CLIENT & SPOUSE

The following section identifies the results of your analysis in each of the key areas of planning. Detailed analysis to support these results are included later in the plan.

RESULTS

CASH FLOW PLANNING

CURRENT SPENDING

After reviewing your 2018 tax returns, detailed expense and savings strategies per your completed fact find, and discussions around non-recurring expenditures in the year, it was determined that your current base spending is approximately **\$9,500 monthly** independent of variable expenses and saving strategies.

PROJECTED PRE-RETIREMENT CASH FLOW

Your cash flow is expected to fluctuate over the years until Client's retirement in 2032 as a result of Spouse's goals for semi and full retirement

- Your cash flow is expected to exceed your needs in 2019 and from 2021 to 2027.
- You will likely experience shortfalls in 2020 and from 2028 to 2032.
- The net effect of these changes is that **total surpluses over this time are expected to exceed total shortfalls by approximately \$25,000**. As a result, if expected surpluses are allocated to cover shortfalls, you will likely be able to meet your needs (spending and continued saving) without having to utilize (withdraw) any of your current retirement savings.

RETIREMENT SPENDING

After completing an exercise to better understand how your current expenses may change in retirement, a retirement spending goal of **\$9,500 monthly + \$10,000 annually for travel** was set.

RETIREMENT PLANNING

CURRENT PLAN SCENARIO

Given your current financial position, expected savings until Spouse's full retirement (2028), and full retirement beginning at Client's Age 65 (2032), without any consideration for income from Spouse's investment company ownership or inheritance in your retirement, it is projected that you will be able to maintain your current spending of **\$9,500 monthly** throughout your retirement as well as your additional travel goal of **\$10,000 annually**.

RETIREMENT CAPITAL NEEDS

Under the above scenario, it is projected that you will accumulate approximate \$3,950,000 in portfolio investments by Client's retirement. In order to meet your retirement spending goal, **it is projected that you would need approximately \$2,565,000 at Client's retirement, \$1,385,000 less than projected and \$820,000 more than your current portfolio.**

MAXIMUM SPEND

Under the above scenario, your maximum available spend in order to deplete all of your portfolio investments would be **\$14,800 monthly** from Client's Age 65 to Spouse's Age 90, giving you up to an additional **\$4,466 monthly** of additional discretionary cash flow throughout your retirement.

RETIRE EARLY

Under the above scenario, your combined earliest retirement date in order to meet your spending goal and deplete all of your portfolio investments by Spouse's age 90 would be **January 2021**.

MINIMUM RATE OF RETURN

Under the above scenario, your minimum portfolio rate of return in order to meet your spending goal and deplete all of your portfolio investments by Spouse's age 90 would be **2.75%**.

INHERITANCE PLAN SCENARIO

Given the same retirement parameters as the Current Plan while considering receipt of a **\$30,000 annual dividend** from Investment Management Company throughout your retirement and a **\$10,000,000 inheritance** in 15 years, it is projected that you will be able to maintain your current spending of **\$9,500 monthly** throughout your retirement as well as your additional travel goal of **\$10,000 annually**.

RETIREMENT CAPITAL NEEDS

Under the above scenario, it is projected that you will accumulate approximate \$3,950,000 in portfolio investments by Client's retirement. **In order to meet your retirement spending goal, it is projected that you would need approximately \$650,000 at Client's retirement, \$3,300,000 less than projected and \$1,095,000 less than your current portfolio.**

MAXIMUM SPEND

Under the above scenario, your maximum available spend in order to deplete all of your portfolio investments would be **\$30,500 monthly** from Client's Age 65 to Spouse's Age 90, giving you up to an additional **\$20,167 monthly** of additional discretionary cash flow throughout your retirement.

RETIRE EARLY + MINIMUM RATE OF RETURN

Under the above scenario, you could both **Retire Today** and achieve a portfolio rate of return of **0.00%** throughout your retirement, while still leaving a sizeable estate.

ESTATE & LEGACY PLANNING

CURRENT PLAN SCENARIO

Assuming the retirement date & spending outlined in this plan, your estate at Spouse's age 90 is projected to be approximately **\$10,000,000** composed of remaining portfolio investments (\$5,300,000), real estate (\$3,500,000), and Life Insurance proceeds (\$2,200,000), net of expected estate taxes (\$1,000,000).

INHERITANCE SCENARIO

Assuming the retirement date & spending outlined in this plan, the availability of additional income annually from Investment Management Company and Spouse's ultimate inheritance of approximately **\$10,000,000**, your estate at Spouse's age 90 is projected to be approximately **\$31,000,000** composed of remaining portfolio investments (\$20,300,000), real estate (\$11,500,000), and Life Insurance proceeds (\$2,200,000), net of expected estate taxes (\$2,000,000).

INVESTMENT PLANNING

CLIENT

Your current overall portfolio allocation is **over weighted to growth/equities by 11% (\$60,000)** compared to your risk profile of 70% growth and 30% safety.

Your Portfolio #4 portfolio is your most aggressive (100%/0% growth vs. safety) but holds the smallest proportion of your overall investments (\$13,000/2%). Portfolio #1 & Portfolio #2 which are also quite aggressive (85%/15%) make up approximately 28% of your overall investments (\$150,000).

Your Portfolio #3 Portfolio is the most conservative (78%/22% growth vs. safety) and holds the largest proportion of your overall investments (\$380,000/70%).

Performance (net of fees) ranged from -1.02% to -7.0% in 2018 and 3.10% to 6.31% over the past 5 years.

SPOUSE

Your current overall portfolio allocation is **over weighted to growth/equities by 13% (\$90,000)** compared to your risk profile of 75% growth and 25% safety.

Your Portfolio #1 portfolio is your most aggressive (86%/14% growth vs. safety) and also holds the largest proportion of your overall investments (\$525,000/75%). This portfolio contains approximately 34% 'Balanced' funds, of which approximately 40% have the characteristics of safety/fixed income investments.

Your Portfolio #5 Portfolio is the most conservative (70%/30% growth vs. safety) and holds a moderate portion of your overall investments (\$100,000/15%).

Performance (net of fees) ranged from -1.55% to -7.0% in 2018 and 3.10% to 6.31% over the past 5 years.

RISK MANAGEMENT PLANNING

LIFE INSURANCE

In the event of a premature death, shortfalls of \$160,000 for Client and \$950,000 for Spouse are expected after consideration of your current Life Insurance coverages.

DISABILITY INSURANCE

In the event of a disability, shortfalls of \$3,500 monthly for Client and \$9,200 monthly for Spouse are expected after consideration of your current disability insurance coverages.

Coverage shortfalls would require additional capital contributions from other sources totaling \$115,000 for Client and \$300,000 for Spouse.

CRITICAL ILLNESS INSURANCE

In the event of a critical illness, Client has available \$25,000 and Spouse \$100,000 in coverage in order to assist with treatment and recovery.

EDUCATION PLANNING

DAUGHTER'S UNIVERSITY EDUCATION

Given your RESP balance of \$56,000, and assuming that your Daughter has 3 more years of University remaining at \$6,000 annually, it is projected that you will have an **unutilized RESP balance of approximately \$43,000** at the end of her program.

SON'S UNIVERSITY EDUCATION

Given your RESP balance of \$47,000, and assuming that your Son plans to complete a 4 year undergraduate program followed by a 4 year graduate program with average annual costs of \$10,000, it is projected that you will **require additional funding in excess of his RESP of \$42,000.**

DEBT REPAYMENT PLANNING

CLIENT CAR LOAN

Given your outstanding balance of \$4,232, interest rate of 1.90%, and payments of \$1,015 monthly it is projected you will repay this loan in May of this year.

SPOUSE CAR LOAN

Given your outstanding balance of \$37,487, interest rate of 0.00%, and current payments of \$674 monthly it is projected you will repay this loan in August 2023.

RENTAL MORTGAGE

Given your outstanding balance of \$46,324, interest rate of 2.89%, and current payments of \$303 bi-weekly it is projected you will repay this loan in January 2022.

BANK LOAN

Given your outstanding balance of \$27,000, interest rate of 4.45%, and current interest only payments \$100 monthly, there is no set period for repayment.

RECOMMENDATIONS

FOR: CLIENT & SPOUSE

The following section identifies specific recommendations and identifies any additional considerations you may choose to make in order to better accomplish your goals.

RESULTS

| TYPE | RECOMMENDATION |
|----------------------------|---|
| CASH FLOW PLANNING | <ul style="list-style-type: none">• Utilize \$25,000 of Spouse's cash available to invest into cash equivalent (liquid) investments available to cover any shortfalls from her reduced income (semi-retirement).• Consider adding your \$10,000 annual retirement travel expenditure to your current annual budget. This goal will likely need to be supplemented from your investment portfolio. Total distributions (\$120,000 over 12 years) are not projected to have an impact on your ability to achieve your retirement spending goals.• Save surpluses after the repayment of each of your vehicle loans and rental property mortgage to a liquid (Cash Equivalent) investment account. These savings will allow for you to be able to offset the years of expected shortfalls from Spouse's transitions to semi and full retirement almost entirely.• Any remaining shortfalls after Spouse fully retires can be fully offset by the reduction of RRSP and TFSA savings strategies during this time (if necessary). The effects of this reduced savings is not projected to have an impact on your ability to achieve your retirement spending goals. |
| DEBT PLANNING | <ul style="list-style-type: none">• Utilize \$27,000 of Spouse's cash available to invest to pay off your current bank loan. The interest rate on the loan (4.45%) is comparable to your historic after-tax returns of your non-registered portfolio (exceeds in the short-term). As a result, it is worthwhile taking the guaranteed return on repaying your debt while also eliminating debt in the short-term according to your goal.• Continue payments on other debts according to your current repayment schedule given their low interest rates and interest deductibility (rental mortgage). |
| INVESTMENT PLANNING | <ul style="list-style-type: none">• Client should reallocate \$60,000 of equity investments in his Portfolio #3 portfolio to fixed income in order to realign his overall portfolio with his risk profile.• Spouse should reallocate \$90,000 of equity investments in her Portfolio #1 portfolio to fixed income in order to realign her overall portfolio with his risk profile. |

| | |
|----------------------------|---|
| | <ul style="list-style-type: none"> • Spouse should invest the remaining \$320,000 of her cash balance (net of cash equivalent and bank loan repayment) equally between her Portfolio #3 (\$160,000) and Portfolio #1 (\$160,000) portfolios. Portfolio #1's performance and recent changes to their fee structure justify investment, while the Portfolio #3 portfolio most accurately reflects her long-term mandate of capital preservation and takes some of the risk out of her portfolio. |
| RISK MANAGEMENT | <ul style="list-style-type: none"> • Apply for additional insurance for Client and assess cost benefit versus self-insurance (using portfolio): <ul style="list-style-type: none"> ○ Disability - \$3,500 monthly ○ Critical Illness - \$75,000 |
| EDUCATION PLANNING | <ul style="list-style-type: none"> • You should contribute \$5,000 to your Son's RESP. He turned 17 this year and based on your cumulative RESP contributions to date and CESG money received you will be eligible for a grant of \$1,000 based on your \$5,000 contribution. Additionally, there are other benefits such as the tax-sheltered growth and eventual taxation of this growth in the hands of your Son as opposed to yourselves. This recommendation coincides with the knowledge of his extended education aspirations and that this contribution is expected to be utilized towards his education. • You should consider transferring any unused RESP investments after your Daughter finishes her schooling to her RDSP. The transfer of contributed amounts and investment growth can be completed on a tax-free and tax-deferred basis. Any unused government grants must be paid back upon transfer. This is based on the fact that it is not likely that your Daughter will pursue further education at a later date. If additional education is a possibility, it would be worthwhile leaving any excess investments in the RESP in order to fully utilize any remaining CESG grant money. |
| RETIREMENT PLANNING | <ul style="list-style-type: none"> • Continue to Maximize TFSA contributions annually using available cash flow or investment transfer from your non-registered portfolios - \$6,000 each (2019). • RRSP contributions should be evaluated annually based on available cash flow. Assuming Spouse's reduced income it would likely be most beneficial for Client to make the contributions prior to Spouse contributing. Contributions by Client should be made to Spouse's Spousal RRSP given his larger registered investment account balances. |
| FAMILY PLANNING | <ul style="list-style-type: none"> • Review your financial plan with Spouse's Parents to encourage collaborative discussions on future cash flow and legacy planning. • Consider engaging in Advisor moderated Family Planning meetings to increase transparency and establish clear goals for collectively managing and passing on your wealth (when ready). |

**ESTATE
PLANNING**

- Continue funding each of your permanent Life Insurance strategies using available cash flow or portfolio (cash) where necessary until full estate and legacy discussion has been revisited.
-

ACTION PLAN

FOR: CLIENT & SPOUSE

The following section identifies the results of your analysis and identifies any additional considerations you may choose to make in order to better accomplish your goals.

RESULTS

| TYPE | ACTION ITEM | TIMING |
|---------------------|--|---------------------------------|
| CASH FLOW PLANNING | <ul style="list-style-type: none"> Meet with Sagium Advisor after* first year of Spouse's transition to semi retirement to review short-term cash flow plan and adjust Cash Equivalent investments as necessary. | March 2021 |
| | <ul style="list-style-type: none"> Repeat process for cash flow meetings after Spouse's transition to full-retirement, and upon Client's transition to full-retirement, or as needed if significant cash flow changes arise from initial projection. <i>*meetings held after transition in order to review projected reduction in income to actual.</i> | March 2029; March 2033 |
| INVESTMENT PLANNING | <ul style="list-style-type: none"> Contribute maximum contributions to TFSA for both Client & Spouse (\$6,000 each). | Immediately (Annually) |
| | <ul style="list-style-type: none"> Contribute final \$5,000 contribution to your Son's RESP. | Immediately (1X) |
| | <ul style="list-style-type: none"> Performance Review (In-Person or Conference Call). | September 2019 (Quarterly) |
| | <ul style="list-style-type: none"> Sagium Planning Team to complete detailed portfolio review – performance, asset allocation, income & fees. | March 2022 (Every 3 years) |
| | <ul style="list-style-type: none"> Spouse meeting with Sagium Advisor to discuss retirement transition: <ul style="list-style-type: none"> re-evaluate risk profile / asset allocation retirement income plan to most efficiently structure investment withdrawals. | March 2025 (2yrs prior to Ret.) |
| | | March 2030 (2yrs prior to Ret.) |

| | | |
|----------------------------|--|---|
| | <ul style="list-style-type: none"> • Client meeting with Sagium Advisor to discuss retirement transition: <ul style="list-style-type: none"> ○ re-evaluate risk profile / asset allocation ○ retirement income plan to most efficiently structure investment withdrawals. | |
| RISK MANAGEMENT | <ul style="list-style-type: none"> • Meeting with Sagium Advisor to discuss options for supplemental disability coverage for Client. Planning Team to complete a cost-benefit analysis in comparison to self-insuring to mitigate this risk. | September 2019 |
| EDUCATION PLANNING | <ul style="list-style-type: none"> • Client & Spouse to discuss future schooling plans with your Son & Daughter and budget upcoming tuition related costs. • Meeting with Sagium Advisor to discuss RESP transfer strategies. | August 2019 (Annually) |
| RETIREMENT PLANNING | <ul style="list-style-type: none"> • Net Worth Update – Projected vs. Actual • RRSP Planning Meeting • Revisit Goals and Update Retirement Plan and Scenarios • Retirement Income Planning Evaluation | March 2020 (Annually) January 2020 (Annually) March 2021 (Biennial/Major Event) March 2025; March 2030 |
| FAMILY PLANNING | <ul style="list-style-type: none"> • Client and Spouse to review their financial plan with Spouse’s Parents (<i>at your discretion</i>). • Family wealth discussion (Client, Spouse, and Spouse’s Parents) surrounding inter-generational family wealth philosophy, including long-term plans for Spouse’s distributions from the Investment Management Company. (<i>Option for Sagium Advisor’s inclusion and input depending on Spouse’s Parent’s preference.</i>) • Family wealth discussion (Client, Spouse, Son and Daughter) after your Son turns 18. (<i>Sagium Advisor included at request of Client and Spouse. Timing is flexible based on comfort with Age.</i>) | August 2019 August 2019 September 2019 |

**ESTATE
PLANNING**

- Detailed Will, Power of Attorney, and Personal Directive review. **Immediately**
 - Discussion with Sagium Advisor in the fall to create a distribution plan that incorporates desire for balance between family legacy and charitable intent. **September 2019**
 - Sagium Advisor's coordination of redrafting Wills to reflect the above changes. **September 2019**
 - Discuss continued funding of each permanent Life Insurance strategy with Sagium Advisor in the context of estate and legacy planning goals including beneficiary designation review. **March 2020**
-

CASH FLOW PLANNING

CURRENT SPENDING REVIEW

The following table uses income, expense and savings information obtained from your planning fact find and tax returns (as applicable) to evaluate your current spending. Taxes, Variable & One-time Expenses and Savings Strategies are removed from your Income in order to approximate your combined fixed and discretionary lifestyle spending.

| CURRENT SPENDING EVALUATION - 2018 | | | | |
|---|-----|-----|-----------------|------------------|
| A - INCOMES | | | | |
| Client - Employment | | | | \$121,800 |
| Client - Rental | | | | \$15,600 |
| Spouse - Employment | | | | \$80,000 |
| Spouse - Other | | | | \$10,000 |
| Spouse - Investment Management Company | | | | \$50,000 |
| Total | | | | \$277,400 |
| B - TAX | | | | |
| Client | | | | \$26,950 |
| Spouse | | | | \$30,100 |
| Total | | | | \$57,050 |
| C - VARIABLE EXPENSES | | | | |
| <u>Debt Repayment</u> | | | | |
| Rental Property Mortgage | | | | \$15,750 |
| Car Loans | | | | \$20,280 |
| Bank Loan | | | | \$1,200 |
| <u>Insurance</u> | | | | |
| Life Insurance Premiums | | | | \$6,530 |
| Critical Illness Insurance Premiums | | | | \$1,800 |
| Total | | | | \$45,560 |
| D - SAVINGS | | | | |
| Client - Sp. RRSP | | | | \$20,000 |
| Client - Work RRSP | | | | \$4,800 |
| Client - TFSA | | | | \$5,500 |
| Spouse - TFSA | | | | \$5,500 |
| Joint - RESP's | | | | \$5,000 |
| Total | \$0 | \$0 | \$0 | \$40,800 |
| E - AVAILABLE FOR SPENDING (A - B - C - D) | | | | \$133,990 |
| F - NON-RECURRING SPENDING | | | | |
| Miscellaneous Expenditures | | | | \$20,000 |
| Total | \$0 | \$0 | \$0 | \$20,000 |
| G - APPROXIMATE REGULAR SPENDING (E - F) | | | ANNUALLY | \$113,990 |
| | | | MONTHLY | \$9,500 |

CASH FLOW PLANNING

PROJECTED CASH FLOW

The following table evaluates the projected impact of expected changes to your cash flow through the pre-retirement period. Use this table to evaluate and plan for potential surpluses and shortfalls during this time.

| Event | Timeline | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|------------------|
| | 2019 | 2020 | 2021-2022 | 2023-2027 | 2028-2032 |
| Client Vehicle Loan Repaid | \$1,015 | \$1,015 | \$1,015 | \$1,015 | \$1,015 |
| Spouse Semi-Retires | | (\$1,180) | (\$1,180) | (\$1,180) | (\$1,180) |
| Rental Property Mortgage Repaid | | | \$1,300 | \$1,300 | \$1,300 |
| Spouse Vehicle Loan Repaid | | | | \$674 | \$674 |
| Spouse Fully-Retires | | | | | (\$3,780) |
| Monthly Surplus / (Shortfall) | \$1,015 | (\$165) | \$1,135 | \$1,809 | (\$1,971) |

Your cash flow is expected to exceed your needs in 2019 and from 2021 to 2027, whereas you will likely experience shortfalls in 2020 and from 2028 to 2032.

In years where excess cash is expected to be available you should consider:

Increasing your short-term savings towards trips, building savings to cover shortfalls

In years where cash shortfalls are expected you could consider:

Reducing your spending, reducing your retirement savings, drawing additional capital from investments or corporate portfolio.

Total surpluses over this time are expected to exceed total shortfalls by approximately \$25,000.

CASH FLOW PLANNING

RETIREMENT SPENDING EVALUATION

The following table summarizes the results of the exercise completed to evaluate your changing needs in retirement:

| RETIREMENT SPENDING EVALUATION | | | | |
|--|--|--|----------|-----------|
| G - CURRENT REGULAR SPENDING (E - F) | | | ANNUALLY | \$113,990 |
| | | | MONTHLY | \$9,500 |
| H - REDUCED SPENDING AREAS | | | | |
| <i>What expenditures do you expect to decrease in retirement (commuting, kids, regular savings, etc.)?</i> | | | | |
| Total | | | | \$Nil |
| I - INCREASED SPENDING AREAS | | | | |
| <i>What expenditures do you expect to increase in retirement (travel, hobbies, healthcare, etc.)?</i> | | | | |
| Additional Travel | | | | \$10,000 |
| Total | | | | \$10,000 |
| J - RETIREMENT SPENDING GOAL (G + H - I) | | | ANNUALLY | \$123,990 |
| | | | MONTHLY | \$9,500 |
| | | | +ANNUAL | \$10,000 |

INVESTMENT PLANNING

PORTFOLIO REVIEW

This report evaluates your current comprehensive portfolio asset allocation against your target asset allocation, and evaluates the performance and fees associated with each of your investment managers.

ASSET ALLOCATION - TARGET

As per your recently revisited Investment Policy Statement, your individual target portfolio allocations are as follows:

Client **70% growth/equity** **30% safety/income & preservation**

Spouse **70% growth/equity** **30% safety/income & preservation**

ASSET ALLOCATION - ACTUAL

The following table summarizes your current portfolio breakdown between growth and safety investments as compared to your targeted allocation per your risk profile as described in your Investment Policy Statement.

CLIENT

| Portfolios | Total Value | Percentage | Growth / Equity | | Safety / Income & Preservation | |
|--------------|------------------|-------------|------------------|------------|--------------------------------|------------|
| | | | \$ | % | \$ | % |
| Portfolio #1 | \$115,504 | 21% | \$97,856 | 84.72% | \$17,648 | 15.28% |
| Portfolio #2 | \$40,353 | 7% | \$36,447 | 90.32% | \$3,906 | 9.68% |
| Portfolio #3 | \$380,074 | 69% | \$298,064 | 78.42% | \$82,010 | 21.58% |
| Portfolio #4 | \$13,332 | 2% | \$13,332 | 100.00% | \$0 | 0.00% |
| TOTAL | \$549,263 | 100% | \$445,699 | 81% | \$103,564 | 19% |

SPOUSE

| Portfolio | Total Value | Percentage | Growth / Equity | | Safety / Income & Preservation | |
|--------------|------------------|-------------|------------------|------------|--------------------------------|------------|
| | | | \$ | % | \$ | % |
| Portfolio #1 | \$526,165 | 75% | \$453,323 | 86.16% | \$72,842 | 13.84% |
| Portfolio #3 | \$57,365 | 8% | \$43,573 | 75.96% | \$13,792 | 24.04% |
| Portfolio #5 | \$102,776 | 15% | \$72,046 | 70.10% | \$30,730 | 29.90% |
| Portfolio #6 | \$12,954 | 2% | \$10,536 | 81.33% | \$2,418 | 18.67% |
| TOTAL | \$699,260 | 100% | \$579,477 | 83% | \$119,783 | 17% |

ASSET ALLOCATION - COMPARISON

| | Growth | | | Safety | | |
|--------|--------|--------|------------|--------|--------|-------------|
| | Actual | Target | +/- | Actual | Target | +/- |
| Client | 81% | 70% | 11% | 19% | 30% | -11% |
| Spouse | 83% | 70% | 13% | 17% | 30% | -13% |

PERFORMANCE & FEES

The following table summarizes the management fees and historic performance of your individual portfolios based on review of your investment statements and performance reports.

| Portfolio | Management Fees | Performance | | |
|--------------|--------------------|-------------|--------|--------|
| | | 1 year | 3 year | 5 year |
| Portfolio #1 | 1.66% | -6.47% | N/A | 6.31% |
| Portfolio #2 | 1.80% | -5.02% | 4.71% | 6.16% |
| Portfolio #3 | 0.70% | -4.30% | 2.90% | 4.10% |
| Portfolio #4 | 0.00% ¹ | -5.32% | 3.80% | 4.15% |
| Portfolio #5 | 0.00% ³ | -2.16% | N/A | N/A |
| Portfolio #6 | 0.59% | -3.24% | 2.47% | 4.12% |

CONCLUSION

- Client is currently over weighted approximately 11% in growth investments, which amounts to approximately \$60,000 based on his portfolio size.
- Spouse is currently over weighted approximately 13% in growth investments, which amounts to approximately \$90,000 based on her portfolio size.

OBSERVATIONS

- Ensure that your individual portfolios continue to meet your established risk profiles. An out dated risk profile may lead to taking unnecessary risks and imbalance in your overall portfolio structure.
- Continue to review your investment performance regularly.
- Understand that portfolios with different allocations to growth versus safety investments will achieve different performance over time.
- Revisit your individual portfolio mandates with your portfolio managers.
- Limit transactions within your self-directed accounts in order to avoid unnecessary fees and transaction charges.
- Consider the potential benefits of consolidating some of your accounts as you approach retirement including simplifying reporting, a possible reduction in fees, and more closely targeting your specific mandate.

¹ Self-directed accounts with an annual flat fee and additional fees per transaction.

RISK MANAGEMENT

LIFE INSURANCE NEEDS

GOAL

Ensure there is enough Life Insurance coverage and/or available investment assets to pay off all debt and provide 100% of the deceased Spouse's after-tax income until age 65 and 80% of survivor spending goal is met throughout retirement.

The following table evaluates your Life Insurance needs through identifying your requirements, utilizing available resources, and suggesting whether additional coverage is needed.

| | Client | Spouse |
|------------------------------|--------------------|--------------------|
| Requirements | | |
| Debt Repayment | \$115,043 | \$115,043 |
| Final Expenses | \$25,000 | \$25,000 |
| Income (after-tax) | \$1,034,271 | \$1,034,271 |
| | \$1,174,314 | \$1,174,314 |
| Resources | | |
| Current Coverages | \$1,012,152 | \$225,692 |
| Immediate Shortfall | \$162,162 | \$948,622 |
| Available Investments | \$915,650 | \$915,650 |
| Additional Need | \$0 | \$32,972 |

ASSUMPTIONS

Debt Repayment – *As per Current Net Worth*

Final Expenses – *Estimated*

Income – *Calculated as the present value of your combined gross annual income, less taxes, less debt repayments for the next 14 years until Client's retirement assuming a return (net of inflation) of 3.0%. Assumes similar net contribution of after-tax income as per Current Spending Evaluation.*

Current Coverage – *Total of existing personal policies plus Client's employment coverage (2x salary).*

Available Investments – *Calculated as the present value of the portion of your investment portfolio not required to meet your needs at retirement – Current Plan (\$1,385,000).*

CONCLUSION & OBSERVATIONS

- In the event of a premature death, shortfalls of \$160,000 for Client and \$950,000 for Spouse are expected after consideration of your current Life Insurance coverages.
- Given your current portfolio size, expected growth and savings, and your anticipated retirement date, it is expected that additional capital from your portfolio could be used to cover your additional income needs in the pre-retirement period if necessary while still allowing you to reach your retirement goals.

RISK MANAGEMENT

DISABILITY INSURANCE NEEDS

GOAL

Ensure there is enough disability insurance coverage and/or available investment assets to provide 100% of the deceased Spouse's after-tax income until age 65.

The following table evaluates your disability insurance needs through identifying your current monthly after-tax income requirements offset by available disability coverage, and suggesting whether additional coverage is needed.

| | Client | Spouse |
|---|------------------|------------------|
| Requirements | | |
| Current Monthly Income - Including Debt Repayment (after-tax) | \$9,200 | \$9,200 |
| Current Monthly Income - W/O Debt Repayment (after-tax) | \$7,630 | \$7,630 |
| Average Current Monthly Income (after-tax) | \$8,415 | \$8,415 |
| Resources | | |
| Current Monthly Coverage (after-tax) | \$5,713 | \$0 |
| Monthly Shortfall | \$3,487 | \$9,200 |
| Period of Requirement | 168 | 168 |
| Total Capital Need | \$115,423 | \$304,529 |

ASSUMPTIONS

Current Monthly Income – Calculated as your gross monthly income less taxes. Given your debt is expected to be repaid periodically prior to retirement, an average of your monthly needs with and without monthly debt repayment was used.

Current Monthly Coverage – 67% of the first \$3,750 of your monthly earnings plus 50% of the balance of your monthly earnings to a maximum benefit of \$8,000 per month (Client).

Period of Requirement – 14 years until Client's retirement.

Total Capital Needs – Calculated as the present value of your monthly shortfall over the period of requirement assuming a return (net of inflation) of 3.0%.

CONCLUSION & OBSERVATIONS

- In the event of a disability, shortfalls of \$3,500 monthly for Client and \$9,200 monthly for Spouse are expected after consideration of your current disability insurance coverages.
- Coverage shortfalls would require additional capital contributions from other sources totaling \$115,000 for Client and \$300,000 for Spouse.
- Given your current portfolio size, expected growth and savings, and your anticipated retirement date, it is expected that additional capital from your portfolio could be used to cover your additional income needs in the pre-retirement period if necessary while still allowing you to reach your retirement goals.

RISK MANAGEMENT

CRITICAL ILLNESS INSURANCE NEEDS

GOAL

Ensure that there are adequate financial resources through critical illness insurance and/or available investment assets to provide \$100,000 to \$150,000 of immediate relief in the case either of you are diagnosed with a critical illness.

The following table evaluates your disability insurance needs through identifying your current monthly after-tax income requirements offset by available disability coverage, and suggesting whether additional coverage is needed.

| | Client | Spouse |
|------------------------------|-----------------|------------|
| Requirements | | |
| Lump Sum Requirement | \$100,000 | \$100,000 |
| Resources | | |
| Current Coverage (after-tax) | \$25,000 | \$100,000 |
| Total Capital Need | \$75,000 | \$0 |

CONCLUSION & OBSERVATIONS

- In the event of a critical illness, a potential shortfall of \$75,000 is expected for Client after consideration of your current disability insurance coverages.
- Given your current portfolio size, expected growth and savings, and your anticipated retirement date, it is expected that additional capital from your portfolio could be used to cover your additional income needs in the pre-retirement period if necessary while still allowing you to reach your retirement goals.

RETIREMENT PLANNING

GOALS, SCENARIOS, AND KEY ASSUMPTIONS

The following sections outline key information and assumptions related to your financial plan.

GOALS

RETIREMENT

Spouse would like to move to working three days a week in the short-term and fully retire at age 60. Client would like to retire at 65 or earlier.

- *The plan assumes continued retirement savings between now and Spouse's retirement (2028), no savings and Client's salary to take care of your needs between Spouse's retirement and Client's age 65, and full retirement commencing January 1, 2032 at Client's age 65.*
- *The plan assumes that you would like to maintain your current after-tax retirement spending of **\$9,500 monthly** throughout your retirement **plus an additional \$10,000 annually for travel.***

CASH DEPLOYMENT

You would like to utilize the \$370,000 of available cash Spouse currently has available.

- *the plan assumes that portions of this are allocated to your short-term cash flow needs and repayment of debt, with the remainder allocated to your retirement portfolio.*

DEBT REPAYMENT

You would like to prioritize your debt repayment and pay off all debt prior to your retirement.

- *The plan forecasts your current debt repayment strategies, suggests any adjustments necessary, and assumes for retirement forecasting purposes that all debt is repaid prior to retirement.*

EDUCATION

You would like to pay for both of your Children's post-secondary educations.

- *The plan assumes that your Daughter will be in school this year and for the next 3 years with costs expected to be \$6,000 annually. No additional RESP contributions are to be made.*
- *The plan assumes that your Son will start school next year (2020) and will be in school for the next 8 years with costs expected to be \$10,000 annually. A final RESP contribution of \$5,000 will be made this year.*

MAJOR PURCHASES – KIDS' HOME DOWN PAYMENTS

You would like to help both of your children with a home down payment.

- *The plan assumes that you would like to contribute \$100,000 to each child. This contribution is expected to come from the sale of your rental property in 12 years.*

ESTATE & LEGACY

You would like to continue to support your family, loved ones, and worthy causes now and upon your eventual passing.

- *The plan illustrates your projected estate position over time in order to support future discussions around your intentions to gift and transfer wealth.*

SCENARIOS

The following is an evaluation of your financial position as you approach retirement. Specifically, our focus is to identify whether your current financial position and savings strategies will allow you to meet your stated lifestyle and retirement needs given two scenarios:

1. **CURRENT PLAN** - Illustrates your projected after-tax retirement spending ability given your current financial position and savings strategies.
2. **INHERITANCE PLAN** – Extension of the scenario above to include income from Spouse’s interest in Investment Management Company throughout retirement and ultimate inheritance of Family assets.

KEY ASSUMPTIONS

General Assumptions

- Inflation – 2.00%
- Rate of Return
 - Investments – 5.00%
 - Real Estate – 2.00%
- Life Expectancy (age) – 90

Pre-Retirement (2019-2032)

- It has been assumed that your combined incomes from employment, rentals, and trusts will take care of your spending and savings needs without any requirement to liquidate investments during this time (see ‘Projected Cash Flow’ schedule).

Retirement & Other Savings

The following table summarizes your expected savings and their durations:

| Account | Annual Savings | | |
|---|-----------------|-----------------|-----------------|
| | Client | Spouse | Total |
| Registered & Pension Savings | | | |
| Work RRSP (2019-2032) | \$9,744 | | \$9,744 |
| Portfolio #1 RRSP (2019-2028) | | \$6,000 | \$6,000 |
| Portfolio #1 TFSA (2019-2028) | \$6,000 | \$6,000 | \$12,000 |
| Employment Pension (2019-2028) | | \$4,100 | \$4,100 |
| Total | \$15,744 | \$16,100 | \$31,844 |
| Other Savings | | | |
| Son’s RESP (2019) | | | \$5,000 |
| Total Annual Savings | \$15,744 | \$16,100 | \$36,844 |

Cash Deployment

- **\$25,000** invested in cash equivalent investments available for short-term cash flow shortfalls.
- **\$27,000** used to immediately pay off current Bank Loan.
- **\$320,000** invested in your portfolio towards your retirement.

Education

- It has been assumed that amounts in your Daughter's RESP in excess of her education needs are used towards helping her accomplish other goals (RDSP) and are not available towards your retirement.
- It has been assumed that additional financial needs in addition to your Son's RESP to fund his education are taken from your investment accounts. Additional needs are projected to total approximately **\$42,000**.

Debt Repayment

The following table summarizes your projected debt repayment:

| Description | Balance | Rate | Payment | Frequency | Projected Repayment |
|-----------------|----------|-------|---------|-----------|---------------------|
| Client Car Loan | \$4,232 | 1.90% | \$1,015 | monthly | May-2019 |
| Spouse Car Loan | \$37,487 | 0.00% | \$674 | monthly | Aug-2023 |
| Bank Loan | \$27,000 | 4.45% | \$100 | monthly | Mar-2019 |
| Rental Mortgage | \$46,324 | 2.89% | \$303 | bi-weekly | Jan-2022 |

As a conservative measure, available cash flow from repayment of debt in the pre-retirement period has been considered spent and not available for additional savings towards your retirement (see 'Projected Cash Flow' for further details).

Sale of Rental Property / Kid's Home Down Payments

The following table shows a breakdown of expected proceeds from the sale of your rental property in twelve years (2030):

| | |
|-----------------------------|------------------|
| Gross Proceeds | \$850,000 |
| Tax | (\$127,260) |
| Kid's Down Payment (x2) | (\$200,000) |
| Available for Saving | \$522,740 |

Proceeds are assumed to be invested into a diversified portfolio earning 5.0% annually available towards your retirement spending needs.

Retirement Expenses

- The plan assumes that you would like to maintain your current after-tax retirement spending of \$9,500 monthly throughout your retirement plus an additional \$10,000 annually for travel.

Retirement Incomes

Spouse Employment Pension²

- \$9,120 annually beginning at age 60 and lasting for the duration of the plan.

Government Benefits

- Client
 - CPP – Fully eligible starting at age 65 (2032).
 - OAS – Fully eligible starting at age 65 (2032).
- Spouse
 - CPP – Fully eligible starting at age 65 (2033).
 - OAS – Fully eligible starting at age 65 (2033).

Inheritance Plan

The following additional assumptions are reflected in this scenario:

- Assumes before-tax income of **\$30,000 annually** generated through the Investment Management Company dividends is available throughout your retirement towards your spending needs.
- Assumes the following inheritances in approximately 15 years (2034):
 - **\$5,000,000** post-estate-tax portfolio value from Investment Management Company grown at 5.0% for the duration of the plan.
 - **\$5,000,000** post-estate-tax family assets grown at 2.0% for the duration of the plan.

Insurance

- Critical Illness insurance return of premium has not been considered in your retirement forecast.
- Life Insurance cash values and death benefits reflect their current values per latest policy statements and have been projected according to the policy illustrations.
- For projection purposes, it has been assumed that premiums are paid until death and that premium payments are in addition to your retirement spending goals.

| Policy Details | Insured | Premium (\$) | Paid Until | Coverage Until |
|--------------------------|---------|------------------|------------|----------------|
| Life Insurance Policy #1 | Client | \$0 | N/A | Death |
| Life Insurance Policy #2 | Client | \$28 monthly | Death | Death |
| Life Insurance Policy #3 | Client | \$5,000 annually | Death | Death |
| Life Insurance Policy #4 | Spouse | \$100 monthly | Death | Death |

² Per Pension Projection Tool.

RETIREMENT GOAL COVERAGE

SUMMARIZED RESULTS

This report shows progress towards your retirement goal. That is, your ability to cover any expenses, pay taxes, and maintain your lifestyle spending during retirement. The chart below illustrates any alternative scenarios to allow for comparison where applicable.

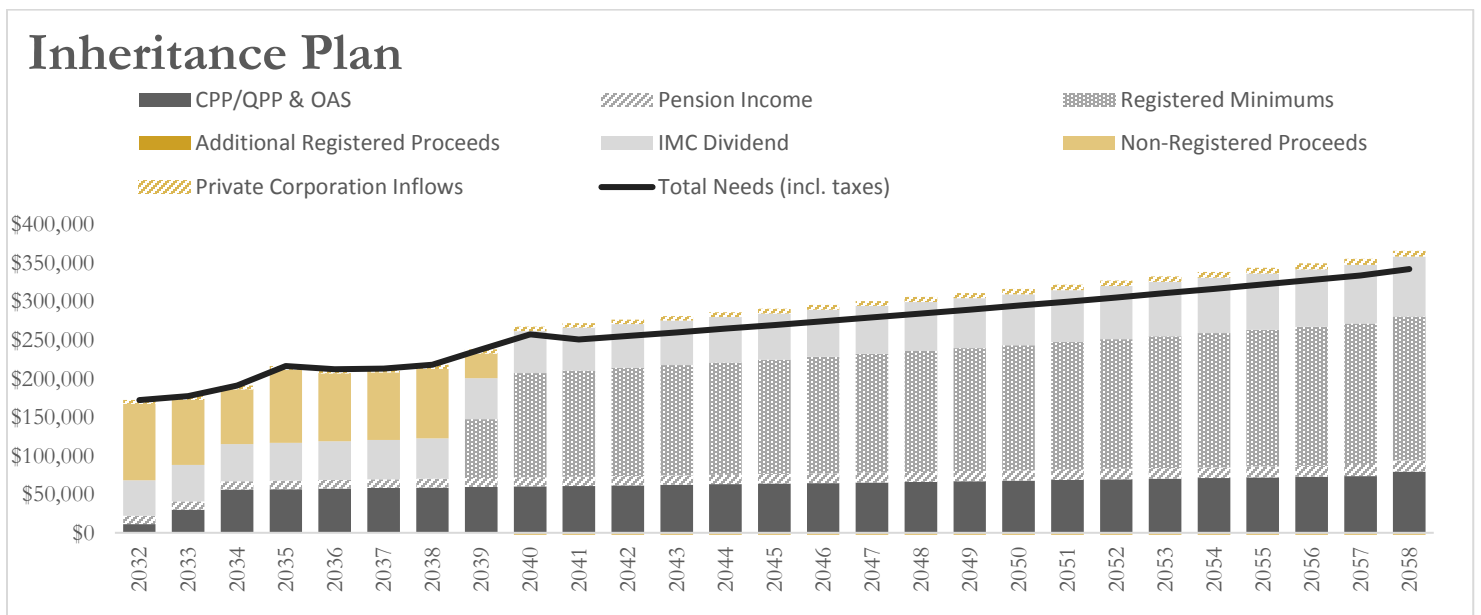
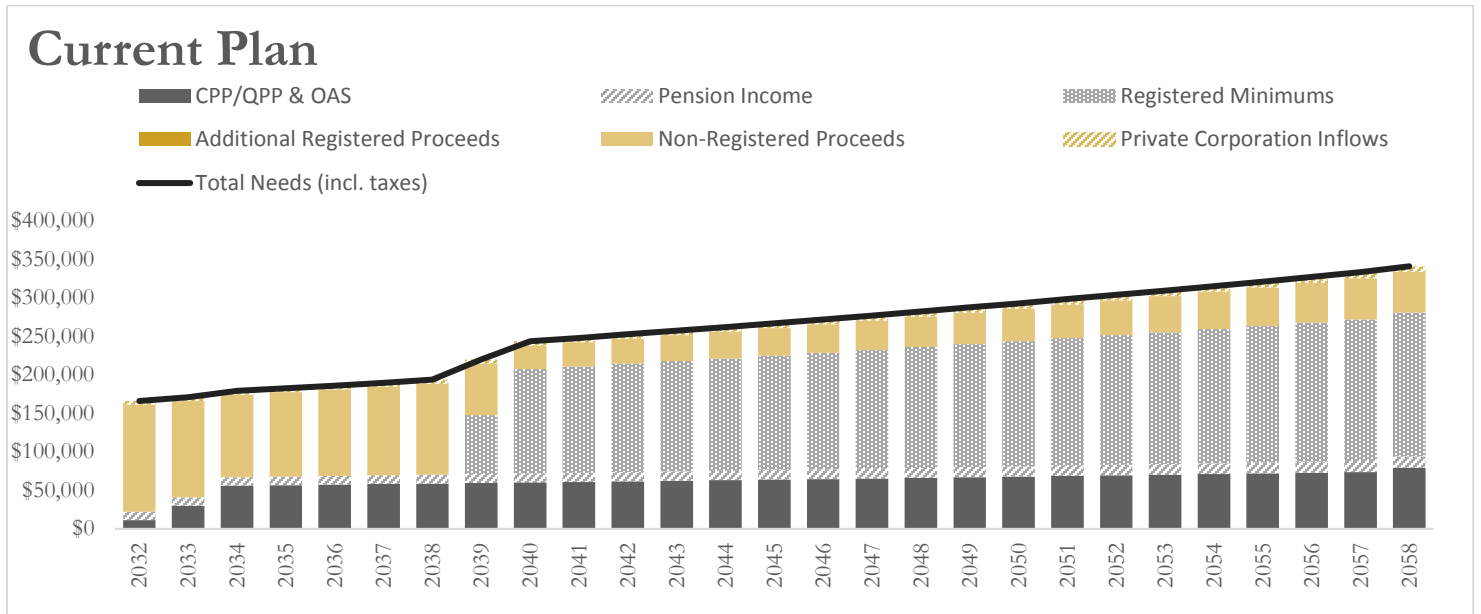
| | Current Plan | Inheritance Plan |
|--|-----------------------|-----------------------|
| Goal Coverage | 100% | 100% |
| Pre-Retirement | | |
| Net Worth - Current | \$4,468,775 | \$4,468,775 |
| Assets Funding Retirement - Current | \$1,745,415 | \$1,745,415 |
| Retirement Savings | | |
| Fixed Annual Savings | \$31,844 | \$31,844 |
| Taxable (Non-Registered) | \$0 | \$0 |
| Tax Deferred (RRSP / LIRA) | \$19,844 | \$19,844 |
| Tax-Free (TFSA) | \$12,000 | \$12,000 |
| Corporate Savings | \$0 | \$0 |
| Retirement | | |
| Retirement Age | 65 (2032) / 60 (2028) | 65 (2032) / 60 (2028) |
| Assets Funding Retirement | \$3,948,248 | \$13,948,248 |
| Taxable (Non-Registered) | \$1,622,530 | \$11,622,530 |
| Tax Deferred (RRSP / LIRA) | \$1,791,655 | \$1,791,655 |
| Tax-Free (TFSA) | \$447,508 | \$447,508 |
| Private Corporation | \$86,555 | \$86,555 |
| Annual Spending Goal | | |
| Retirement Lifestyle Spending | \$124,000 | \$124,000 |
| Shortfall | \$0 | \$0 |
| Estate Overview @ Age 90 | | |
| Taxable (Non-Registered) | \$2,080,646 | \$17,099,489 |
| Deferred (RRSP / LIRA) | \$1,594,230 | \$1,594,230 |
| Tax-Free (TFSA) | \$1,670,750 | \$1,670,750 |
| Private Corporation | \$0 | \$0 |
| Lifestyle Assets & Real Estate | \$3,543,904 | \$11,586,090 |
| Pro-Forma Net Worth | \$8,889,530 | \$31,950,559 |
| Estate Tax | (\$1,010,751) | (\$2,819,231) |
| Insurance Proceeds | \$2,225,626 | \$2,225,626 |
| Final Estate | \$10,104,405 | \$31,356,954 |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

RETIREMENT SOURCES OF INCOME

PLAN COMPARISON

This report compares your retirement needs to your sources of retirement income throughout your retirement.



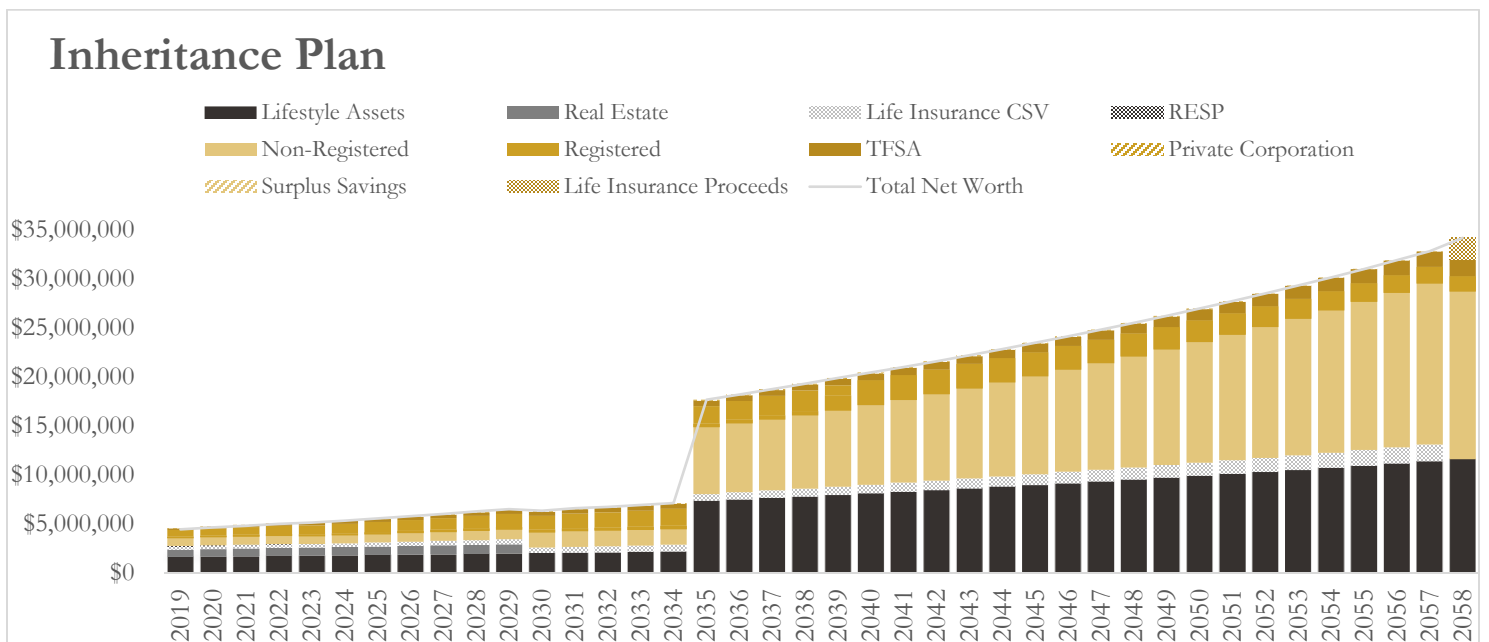
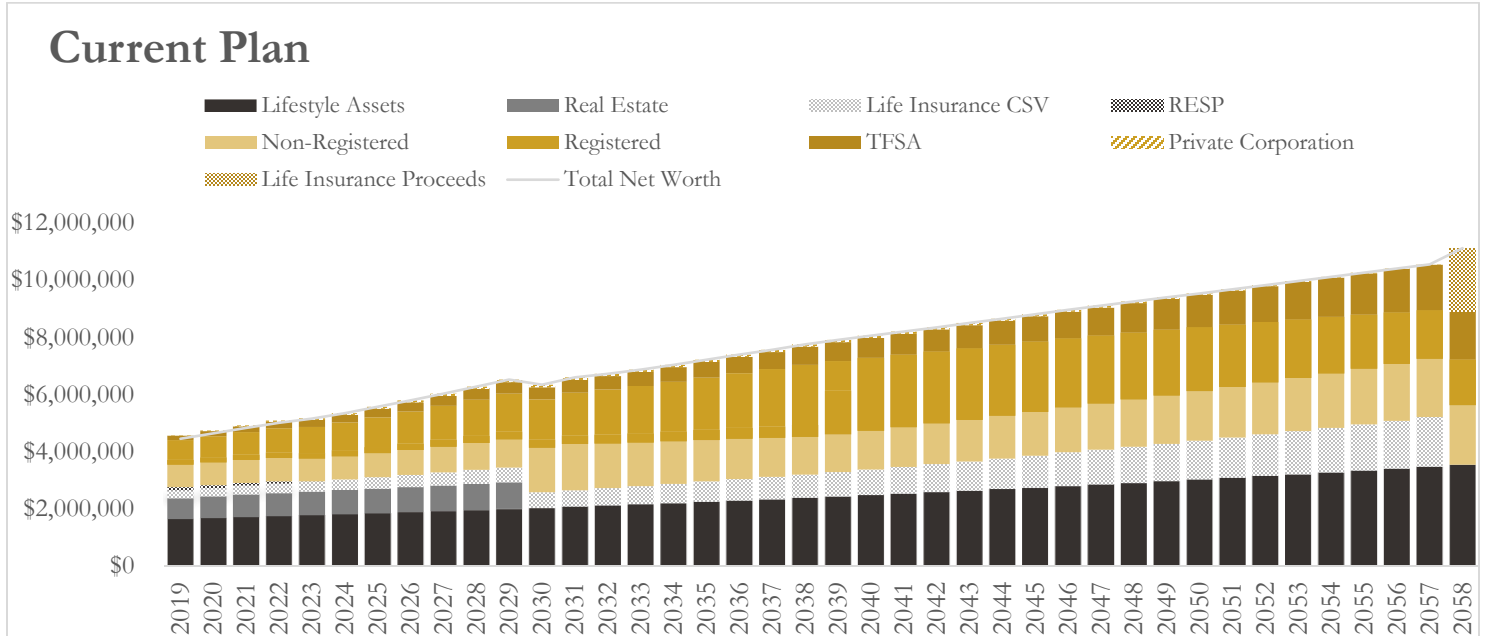
Note: In the Inheritance Plan, it is projected that beginning at Spouse's age 71 your combined income from government benefits, Spouse's Employment pension, Spouse's Investment Management Company Dividend, and your minimum registered account withdrawals will exceed your retirement needs. Surpluses have been saved to a 'Surplus Savings' account growing at 5.0%. As a conservative measure, these surpluses have not been made available towards your retirement, but are reflected in your estate projection.

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

NET WORTH TIMELINE

PLAN COMPARISON

This report displays a comparison of net worth data in all selected scenarios over time. These projections show end-of-year values beginning with the year of the analysis and are projected until the death of the last surviving client. Use this report to compare the effects of different scenarios on net worth.



Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

RETIREMENT INCOME & EXPENSES

CURRENT PLAN

This report shows your annual cash flow during the retirement period, for the selected scenario. Positive cash flow values are shown in bold whereas negative values are shown in red and in parentheses. Use this report to show detailed cash flow information and thereby demonstrate the underlying numbers that comprise the year-over-year cash flow graphs.

| Year | Age | CPP/QPP & OAS | Defined Benefit Pension | Minimums | Additional Registered Proceeds | Non-Registered Proceeds | Private Corporation Inflows | Fixed Needs (incl. taxes) | Total Needs (incl. taxes) | Shortfall |
|------|---------|---------------|-------------------------|-----------|--------------------------------|-------------------------|-----------------------------|---------------------------|---------------------------|-----------|
| 2032 | *65/64* | \$11,355 | \$10,650 | \$0 | \$0 | \$139,185 | \$4,754 | \$165,943 | \$165,943 | - |
| 2033 | 66/65 | \$29,895 | \$10,778 | \$0 | \$0 | \$125,286 | \$4,849 | \$170,807 | \$170,807 | - |
| 2034 | 67/66 | \$56,037 | \$10,907 | \$0 | \$0 | \$107,330 | \$4,946 | \$179,221 | \$179,221 | - |
| 2035 | 68/67 | \$56,710 | \$11,038 | \$0 | \$0 | \$109,774 | \$5,045 | \$182,566 | \$182,566 | - |
| 2036 | 69/68 | \$57,390 | \$11,170 | \$0 | \$0 | \$112,251 | \$5,146 | \$185,957 | \$185,957 | - |
| 2037 | 70/69 | \$58,079 | \$11,304 | \$0 | \$0 | \$114,948 | \$5,249 | \$189,580 | \$189,580 | - |
| 2038 | 71/70 | \$58,776 | \$11,440 | \$0 | \$0 | \$117,925 | \$5,354 | \$193,494 | \$193,494 | - |
| 2039 | 72/71 | \$59,481 | \$11,577 | \$76,480 | \$0 | \$66,781 | \$5,461 | \$219,781 | \$219,781 | - |
| 2040 | 73/72 | \$60,195 | \$11,716 | \$135,620 | \$0 | \$30,248 | \$5,570 | \$243,349 | \$243,349 | - |
| 2041 | 74/73 | \$60,917 | \$11,857 | \$138,117 | \$0 | \$31,306 | \$5,681 | \$247,879 | \$247,879 | - |
| 2042 | 75/74 | \$61,648 | \$11,999 | \$140,672 | \$0 | \$32,386 | \$5,795 | \$252,500 | \$252,500 | - |
| 2043 | 76/75 | \$62,388 | \$12,143 | \$143,255 | \$0 | \$33,508 | \$5,911 | \$257,205 | \$257,205 | - |
| 2044 | 77/76 | \$63,137 | \$12,289 | \$145,836 | \$0 | \$34,692 | \$6,029 | \$261,982 | \$261,982 | - |
| 2045 | 78/77 | \$63,894 | \$12,436 | \$148,382 | \$0 | \$35,961 | \$6,150 | \$266,824 | \$266,824 | - |
| 2046 | 79/78 | \$64,661 | \$12,585 | \$151,351 | \$0 | \$37,018 | \$6,273 | \$271,888 | \$271,888 | - |
| 2047 | 80/79 | \$65,437 | \$12,736 | \$153,928 | \$0 | \$38,392 | \$6,398 | \$276,892 | \$276,892 | - |
| 2048 | 81/80 | \$66,222 | \$12,889 | \$156,815 | \$0 | \$39,633 | \$6,526 | \$282,086 | \$282,086 | - |
| 2049 | 82/81 | \$67,017 | \$13,044 | \$159,680 | \$0 | \$40,959 | \$6,657 | \$287,356 | \$287,356 | - |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

| | | | | | | | | | | |
|------|-------|----------|----------|-----------|-----|----------|---------|-----------|-----------|---|
| 2050 | 83/82 | \$67,821 | \$13,201 | \$162,447 | \$0 | \$42,419 | \$6,790 | \$292,677 | \$292,677 | - |
| 2051 | 84/83 | \$68,635 | \$13,359 | \$165,487 | \$0 | \$43,770 | \$6,926 | \$298,176 | \$298,176 | - |
| 2052 | 85/84 | \$69,459 | \$13,519 | \$168,429 | \$0 | \$45,258 | \$7,064 | \$303,729 | \$303,729 | - |
| 2053 | 86/85 | \$70,292 | \$13,681 | \$171,364 | \$0 | \$46,825 | \$7,205 | \$309,367 | \$309,367 | - |
| 2054 | 87/86 | \$71,136 | \$13,846 | \$174,533 | \$0 | \$48,313 | \$7,350 | \$315,177 | \$315,177 | - |
| 2055 | 88/87 | \$71,989 | \$14,012 | \$177,485 | \$0 | \$50,020 | \$7,497 | \$321,003 | \$321,003 | - |
| 2056 | 89/88 | \$72,853 | \$14,180 | \$180,563 | \$0 | \$51,723 | \$7,647 | \$326,966 | \$326,966 | - |
| 2057 | 90/89 | \$73,727 | \$14,350 | \$183,764 | \$0 | \$53,425 | \$7,799 | \$333,066 | \$333,066 | - |
| 2058 | 91/90 | \$79,612 | \$14,522 | \$186,956 | \$0 | \$52,495 | \$7,221 | \$340,806 | \$340,806 | - |

* = year of retirement

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

RETIREMENT INCOME & EXPENSES

INHERITANCE PLAN

This report shows your annual cash flow during the retirement period, for the selected scenario. Positive cash flow values are shown in bold whereas negative values are shown in red and in parentheses. Use this report to show detailed cash flow information and thereby demonstrate the underlying numbers that comprise the year-over-year cash flow graphs.

| Year | Age | CPP/QPP & OAS | Defined Benefit Pension | Minimums | Additional Registered Proceeds | Non-Registered Proceeds | Private Corporation Inflows | Other Inflows | Fixed Needs (incl. taxes) | Total Needs (incl. taxes) | Shortfall |
|------|---------|---------------|-------------------------|-----------|--------------------------------|-------------------------|-----------------------------|---------------|---------------------------|---------------------------|-----------|
| 2032 | *65/64* | \$11,355 | \$10,650 | \$0 | \$0 | \$145,558 | \$4,754 | \$46,379 | \$172,317 | \$172,317 | - |
| 2033 | 66/65 | \$29,895 | \$10,778 | \$0 | \$0 | \$131,985 | \$4,849 | \$47,307 | \$177,507 | \$177,507 | - |
| 2034 | 67/66 | \$56,037 | \$10,907 | \$0 | \$0 | \$119,117 | \$4,946 | \$48,253 | \$191,007 | \$191,007 | - |
| 2035 | 68/67 | \$56,710 | \$11,038 | \$0 | \$0 | \$143,834 | \$5,045 | \$10,049,218 | \$10,216,626 | \$10,216,626 | - |
| 2036 | 69/68 | \$57,390 | \$11,170 | \$0 | \$0 | \$138,554 | \$5,146 | \$50,202 | \$212,261 | \$212,261 | - |
| 2037 | 70/69 | \$58,079 | \$11,304 | \$0 | \$0 | \$138,636 | \$5,249 | \$51,206 | \$213,268 | \$213,268 | - |
| 2038 | 71/70 | \$58,776 | \$11,440 | \$0 | \$0 | \$142,406 | \$5,354 | \$52,230 | \$217,976 | \$217,976 | - |
| 2039 | 72/71 | \$59,481 | \$11,577 | \$76,480 | \$0 | \$85,202 | \$5,461 | \$53,275 | \$238,202 | \$238,202 | - |
| 2040 | 73/72 | \$60,195 | \$11,716 | \$135,620 | \$0 | \$0 | \$5,570 | \$54,340 | \$257,468 | \$257,468 | - |
| 2041 | 74/73 | \$60,917 | \$11,857 | \$138,117 | \$0 | \$0 | \$5,681 | \$55,427 | \$251,184 | \$251,184 | - |
| 2042 | 75/74 | \$61,648 | \$11,999 | \$140,672 | \$0 | \$0 | \$5,795 | \$56,536 | \$255,699 | \$255,699 | - |
| 2043 | 76/75 | \$62,388 | \$12,143 | \$143,255 | \$0 | \$0 | \$5,911 | \$57,666 | \$260,291 | \$260,291 | - |
| 2044 | 77/76 | \$63,137 | \$12,289 | \$145,836 | \$0 | \$0 | \$6,029 | \$58,820 | \$264,949 | \$264,949 | - |
| 2045 | 78/77 | \$63,894 | \$12,436 | \$148,382 | \$0 | \$0 | \$6,150 | \$59,996 | \$269,661 | \$269,661 | - |
| 2046 | 79/78 | \$64,661 | \$12,585 | \$151,351 | \$0 | \$0 | \$6,273 | \$61,196 | \$274,619 | \$274,619 | - |
| 2047 | 80/79 | \$65,437 | \$12,736 | \$153,928 | \$0 | \$0 | \$6,398 | \$62,420 | \$279,480 | \$279,480 | - |
| 2048 | 81/80 | \$66,222 | \$12,889 | \$156,815 | \$0 | \$0 | \$6,526 | \$63,668 | \$284,546 | \$284,546 | - |
| 2049 | 82/81 | \$67,017 | \$13,044 | \$159,680 | \$0 | \$0 | \$6,657 | \$64,942 | \$289,678 | \$289,678 | - |

important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

| | | | | | | | | | | | |
|------|-------|----------|----------|-----------|-----|-----|---------|----------|-----------|-----------|---|
| 2050 | 83/82 | \$67,821 | \$13,201 | \$162,447 | \$0 | \$0 | \$6,790 | \$66,241 | \$294,845 | \$294,845 | - |
| 2051 | 84/83 | \$68,635 | \$13,359 | \$165,487 | \$0 | \$0 | \$6,926 | \$67,565 | \$300,203 | \$300,203 | - |
| 2052 | 85/84 | \$69,459 | \$13,519 | \$168,429 | \$0 | \$0 | \$7,064 | \$68,917 | \$305,598 | \$305,598 | - |
| 2053 | 86/85 | \$70,292 | \$13,681 | \$171,364 | \$0 | \$0 | \$7,205 | \$70,295 | \$311,070 | \$311,070 | - |
| 2054 | 87/86 | \$71,136 | \$13,846 | \$174,533 | \$0 | \$0 | \$7,350 | \$71,701 | \$316,722 | \$316,722 | - |
| 2055 | 88/87 | \$71,989 | \$14,012 | \$177,485 | \$0 | \$0 | \$7,497 | \$73,135 | \$322,366 | \$322,366 | - |
| 2056 | 89/88 | \$72,853 | \$14,180 | \$180,563 | \$0 | \$0 | \$7,647 | \$74,598 | \$328,147 | \$328,147 | - |
| 2057 | 90/89 | \$73,727 | \$14,350 | \$183,764 | \$0 | \$0 | \$7,799 | \$76,090 | \$334,132 | \$334,132 | - |
| 2058 | 91/90 | \$79,612 | \$14,522 | \$186,956 | \$0 | \$0 | \$7,221 | \$77,611 | \$342,398 | \$342,398 | - |

* = year of retirement

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

NET WORTH OUTLOOK

CURRENT PLAN

This report shows changes in your net worth over time. These projected end-of-year values begin with the analysis year and end with death of the last surviving client. Furthermore, assets included in this report are categorized to show how changes in net worth occur. Use this report to assess your total net worth by asset category through the duration of the analysis.

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|--|------------------|------------------|------------------|------------------|------------------|
| Non-Registered Assets | | | | | |
| Client Rental Proceeds | 0 | 0 | 330,976 | 313,702 | 397,850 |
| Portfolio #5 non-reg | 95,746 | 143,765 | 186,078 | 230,918 | 327,580 |
| Portfolio #1 Investment Funds Spouse | 53,729 | 80,675 | 104,419 | 128,099 | 181,133 |
| Portfolio #1 Investment Funds Spouse 2 | 125,473 | 188,401 | 243,852 | 338,551 | 467,915 |
| Cash to Invest | 380,572 | 525,845 | 501,011 | 559,123 | 709,103 |
| USD Cash | 612 | 0 | 0 | 0 | 0 |
| Portfolio #4 Chequing Cash | 7,841 | 0 | 0 | 0 | 0 |
| Spouse PC Cash | 5,185 | 0 | 0 | 0 | 0 |
| Proceeds from Life Insurance #4 Spouse | 0 | 0 | 0 | 0 | 298,281 |
| Proceeds from Life Insurance #1 Client | 0 | 0 | 0 | 0 | 749,216 |
| Proceeds from Life Insurance #2 Client | 0 | 0 | 0 | 0 | 92,773 |
| Proceeds from Life Insurance #3 Client | 0 | 0 | 0 | 0 | 1,080,356 |
| Subtotal | 669,157 | 938,686 | 1,366,336 | 1,570,394 | 4,304,209 |
| Registered Assets | | | | | |
| Portfolio #1 TFSA Client | 79,881 | 193,389 | 300,009 | 465,413 | 835,815 |
| Portfolio #1 RRSP Client | 39,921 | 61,931 | 96,075 | 94,926 | 62,528 |
| Portfolio #2 RRSP Client | 52,376 | 202,438 | 366,577 | 362,195 | 238,579 |
| Portfolio #3 RRSP Client | 235,458 | 365,273 | 566,658 | 559,884 | 368,799 |
| Portfolio #4 RRSP Client | 13,999 | 21,716 | 33,689 | 33,287 | 21,926 |
| Portfolio #3 LIRA Client | 138,221 | 214,426 | 332,645 | 328,669 | 216,496 |
| Portfolio #3 LIRA Client | 25,398 | 39,401 | 61,124 | 60,394 | 39,782 |
| Portfolio #1 TFSA Spouse | 79,750 | 193,185 | 299,694 | 464,923 | 834,935 |
| Portfolio #1 RRSP Spouse | 304,863 | 539,369 | 836,739 | 869,239 | 572,572 |
| Portfolio #5 RRSP Spouse | 11,643 | 18,063 | 28,021 | 29,110 | 19,175 |
| Portfolio #3 SpRRSP Spouse | 19,416 | 30,120 | 46,726 | 48,541 | 31,974 |
| Portfolio #6 RRSP Spouse | 13,602 | 21,101 | 32,734 | 34,006 | 22,400 |
| Daughter's RESP | 63,865 | 0 | 0 | 0 | 0 |
| Son's RESP | 49,263 | 0 | 0 | 0 | 0 |
| Subtotal | 1,127,655 | 1,900,412 | 3,000,692 | 3,350,586 | 3,264,980 |
| Private Corporations | | | | | |
| Spouse PC - Client | 14,610 | 19,577 | 19,859 | 16,162 | 0 |
| Spouse PC - Spouse | 43,830 | 58,732 | 59,576 | 48,485 | 0 |
| Subtotal | 58,540 | 78,410 | 79,534 | 64,746 | 0 |

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|----------------------------------|------------------|------------------|------------------|------------------|-------------------|
| Lifestyle Assets | | | | | |
| Recreation Property | 107,100 | 127,994 | 152,965 | 182,808 | 231,844 |
| Residence | 1,530,000 | 1,828,492 | 2,185,217 | 2,611,536 | 3,312,059 |
| Subtotal | 1,637,100 | 1,956,486 | 2,338,182 | 2,794,344 | 3,543,904 |
| Life Insurance Cash Value | | | | | |
| Life Insurance #3 Client | 91,865 | 203,420 | 353,770 | 569,517 | 0 |
| Life Insurance #2 Client | 16,740 | 28,125 | 41,525 | 59,103 | 0 |
| Life Insurance #1 Client | 142,106 | 220,453 | 335,152 | 485,346 | 0 |
| Life Insurance #4 Spouse | 25,692 | 35,016 | 47,723 | 65,041 | 0 |
| Subtotal | 276,403 | 487,014 | 778,170 | 1,179,007 | 0 |
| Real Estate Assets | | | | | |
| Rental Property | 765,000 | 914,246 | 0 | 0 | 0 |
| Subtotal | 765,000 | 914,246 | 0 | 0 | 0 |
| Other Liabilities | | | | | |
| Bank Loan | (24,300) | 0 | 0 | 0 | 0 |
| Spouse Car Loan | (29,399) | 0 | 0 | 0 | 0 |
| Rental Mortgage | (31,684) | 0 | 0 | 0 | 0 |
| Subtotal | (85,383) | 0 | 0 | 0 | 0 |
| Total | 4,448,473 | 6,275,253 | 7,562,914 | 8,959,076 | 11,113,093 |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

NET WORTH OUTLOOK

INHERITANCE PLAN

This report shows changes in your net worth over time. These projected end-of-year values begin with the analysis year and end with death of the last surviving client. Furthermore, assets included in this report are categorized to show how changes in net worth occur. Use this report to assess your total net worth by asset category through the duration of the analysis.

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|--|------------------|------------------|------------------|-------------------|-------------------|
| Non-Registered Assets | | | | | |
| Client Rental Proceeds | 0 | 0 | 556,156 | 810,883 | 1,331,033 |
| Portfolio #5 non-reg | 95,746 | 143,765 | 199,779 | 290,889 | 477,484 |
| Portfolio #1 Investment Funds Spouse | 53,729 | 80,675 | 112,108 | 163,235 | 267,944 |
| Portfolio #1 Investment Funds Spouse 2 | 125,473 | 188,401 | 261,807 | 381,205 | 625,733 |
| Cash to Invest | 380,572 | 525,845 | 678,609 | 988,091 | 1,621,913 |
| Inheritance - IMC | 0 | 0 | 5,432,639 | 7,695,421 | 12,488,818 |
| Surplus Savings | 0 | 0 | 0 | 78,803 | 289,416 |
| USD Cash | 612 | 0 | 0 | 0 | 0 |
| Portfolio #4 Chequing Cash | 7,841 | 0 | 0 | 0 | 0 |
| Spouse PC Cash | 5,185 | 0 | 0 | 0 | 0 |
| Proceeds from Life Insurance #4 Spouse | 0 | 0 | 0 | 0 | 298,281 |
| Proceeds from Life Insurance #1 Client | 0 | 0 | 0 | 0 | 749,216 |
| Proceeds from Life Insurance #2 Client | 0 | 0 | 0 | 0 | 92,773 |
| Proceeds from Life Insurance #3 Client | 0 | 0 | 0 | 0 | 1,080,356 |
| Subtotal | 669,157 | 938,686 | 7,241,098 | 10,408,526 | 19,322,968 |
| Registered Assets | | | | | |
| Portfolio #1 TFSA Client | 79,881 | 193,389 | 300,009 | 465,413 | 835,815 |
| Portfolio #1 RRSP Client | 39,921 | 61,931 | 96,075 | 94,926 | 62,528 |
| Portfolio #2 RRSP Client | 52,376 | 202,438 | 366,577 | 362,195 | 238,579 |
| Portfolio #3 RRSP Client | 235,458 | 365,273 | 566,658 | 559,884 | 368,799 |
| Portfolio #4 RRSP Client | 13,999 | 21,716 | 33,689 | 33,287 | 21,926 |
| Portfolio #3 LIRA Client | 138,221 | 214,426 | 332,645 | 328,669 | 216,496 |
| Portfolio #3 LIRA Client | 25,398 | 39,401 | 61,124 | 60,394 | 39,782 |
| Portfolio #1 TFSA Spouse | 79,750 | 193,185 | 299,694 | 464,923 | 834,935 |
| Portfolio #1 RRSP Spouse | 304,863 | 539,369 | 836,739 | 869,239 | 572,572 |
| Portfolio #5 RRSP Spouse | 11,643 | 18,063 | 28,021 | 29,110 | 19,175 |
| Portfolio #3 SpRRSP Spouse | 19,416 | 30,120 | 46,726 | 48,541 | 31,974 |
| Portfolio #6 RRSP Spouse | 13,602 | 21,101 | 32,734 | 34,006 | 22,400 |
| Daughter's RESP | 63,865 | 0 | 0 | 0 | 0 |
| Son's RESP | 49,263 | 0 | 0 | 0 | 0 |
| Subtotal | 1,127,655 | 1,900,412 | 3,000,692 | 3,350,586 | 3,264,980 |
| Private Corporations | | | | | |
| Spouse PC - Client | 14,610 | 19,577 | 19,859 | 16,162 | 0 |
| Spouse PC - Spouse | 43,830 | 58,732 | 59,576 | 48,485 | 0 |
| Subtotal | 58,540 | 78,410 | 79,534 | 64,746 | 0 |

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|-----------------------------------|------------------|------------------|-------------------|-------------------|-------------------|
| Lifestyle Assets | | | | | |
| Recreation Property | 107,100 | 127,994 | 152,965 | 182,808 | 231,844 |
| Inheritance - Other Estate Assets | 0 | 0 | 5,306,040 | 6,341,209 | 8,042,186 |
| Residence | 1,530,000 | 1,828,492 | 2,185,217 | 2,611,536 | 3,312,059 |
| Subtotal | 1,637,100 | 1,956,486 | 7,644,222 | 9,135,553 | 11,586,090 |
| Life Insurance Cash Value | | | | | |
| Life Insurance #3 Client | 91,865 | 203,420 | 353,770 | 569,517 | 0 |
| Life Insurance #2 Client | 16,740 | 28,125 | 41,525 | 59,103 | 0 |
| Life Insurance #1 Client | 142,106 | 220,453 | 335,152 | 485,346 | 0 |
| Life Insurance #4 Spouse | 25,692 | 35,016 | 47,723 | 65,041 | 0 |
| Subtotal | 276,403 | 487,014 | 778,170 | 1,179,007 | 0 |
| Real Estate Assets | | | | | |
| Rental Property | 765,000 | 914,246 | 0 | 0 | 0 |
| Subtotal | 765,000 | 914,246 | 0 | 0 | 0 |
| Other Liabilities | | | | | |
| Bank Loan | (24,300) | 0 | 0 | 0 | 0 |
| Spouse Car Loan | (29,399) | 0 | 0 | 0 | 0 |
| Rental Mortgage | (31,684) | 0 | 0 | 0 | 0 |
| Subtotal | (85,383) | 0 | 0 | 0 | 0 |
| Total | 4,448,473 | 6,275,253 | 18,743,716 | 24,138,417 | 34,174,038 |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

DETAILED ESTATE ANALYSIS

CURRENT PLAN

This report is designed to show the effects of dying in a given year, and the resulting impact of taxation on the estate.

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|--|------------------|------------------|------------------|------------------|------------------|
| Non-Registered | | | | | |
| Rental Property | 765,000 | 914,246 | 0 | 0 | 0 |
| Portfolio #1 Investment Funds Spouse 2 | 125,473 | 188,401 | 243,852 | 338,551 | 467,915 |
| Portfolio #1 Investment Funds Spouse | 53,729 | 80,675 | 104,419 | 128,099 | 181,133 |
| Cash to Invest | 380,572 | 525,845 | 501,011 | 559,123 | 709,103 |
| Spouse PC Cash | 5,185 | 0 | 0 | 0 | 0 |
| Client Rental Proceeds | 0 | 0 | 330,976 | 313,702 | 397,850 |
| Portfolio #5 non-reg | 95,746 | 143,765 | 186,078 | 230,918 | 324,644 |
| PORTFOLIO #4 Chequing Cash | 7,841 | 0 | 0 | 0 | 0 |
| USD Cash | 612 | 0 | 0 | 0 | 0 |
| Subtotal | 1,434,157 | 1,852,932 | 1,366,336 | 1,570,394 | 2,080,646 |
| Registered | | | | | |
| Daughter's RESP | 63,865 | 0 | 0 | 0 | 0 |
| Portfolio #1 RRSP Spouse | 304,863 | 539,369 | 836,739 | 869,239 | 572,572 |
| Portfolio #1 RRSP Client | 39,921 | 61,931 | 96,075 | 94,926 | 62,528 |
| Portfolio #1 TFSA Spouse | 79,750 | 193,185 | 299,694 | 464,923 | 834,935 |
| Portfolio #1 TFSA Client | 79,881 | 193,389 | 300,009 | 465,413 | 835,815 |
| Portfolio #3 LIRA Client | 25,398 | 39,401 | 61,124 | 60,394 | 39,782 |
| Portfolio #3 LIRA Client | 138,221 | 214,426 | 332,645 | 328,669 | 216,496 |
| Portfolio #3 RRSP Client | 235,458 | 365,273 | 566,658 | 559,884 | 368,799 |
| Portfolio #3 SpRRSP Spouse | 19,416 | 30,120 | 46,726 | 48,541 | 31,974 |
| Portfolio #6 RRSP Spouse | 13,602 | 21,101 | 32,734 | 34,006 | 22,400 |
| Portfolio #5 RRSP Spouse | 11,643 | 18,063 | 28,021 | 29,110 | 19,175 |
| Son's RESP | 49,263 | 0 | 0 | 0 | 0 |
| Portfolio #4 RRSP Client | 13,999 | 21,716 | 33,689 | 33,287 | 21,926 |
| Portfolio #2 RRSP Client | 52,376 | 202,438 | 366,577 | 362,195 | 238,579 |
| Subtotal | 1,127,655 | 1,900,412 | 3,000,692 | 3,350,586 | 3,264,980 |
| Private Corporations | | | | | |
| Common Shares | 58,440 | 78,310 | 79,434 | 64,646 | 0 |
| Subtotal | 58,440 | 78,310 | 79,434 | 64,646 | 0 |
| Lifestyle | | | | | |
| Recreation Property | 107,100 | 127,994 | 152,965 | 182,808 | 231,844 |
| Residence | 1,530,000 | 1,828,492 | 2,185,217 | 2,611,536 | 3,312,059 |
| Subtotal | 1,637,100 | 1,956,486 | 2,338,182 | 2,794,344 | 3,543,904 |

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|---|------------------|------------------|--------------------|--------------------|--------------------|
| Liabilities | | | | | |
| Rental Mortgage | (31,689) | 0 | 0 | 0 | 0 |
| Bank Loan | (24,303) | 0 | 0 | 0 | 0 |
| Spouse Car Loan | (29,399) | 0 | 0 | 0 | 0 |
| Subtotal | (85,391) | 0 | 0 | 0 | 0 |
| Pro-Forma Net Worth | 4,172,062 | 5,788,240 | 6,784,745 | 7,780,069 | 8,889,530 |
| Insurance Proceeds | | | | | |
| Life Insurance #3 Client | 304,120 | 419,827 | 554,118 | 740,293 | 1,080,356 |
| Life Insurance #2 Client | 55,505 | 63,027 | 70,883 | 80,331 | 92,773 |
| Life Insurance #1 Client | 408,927 | 488,706 | 559,144 | 650,747 | 749,216 |
| Life Insurance #4 Spouse | 225,692 | 235,016 | 247,723 | 265,041 | 298,281 |
| Subtotal | 994,244 | 1,206,576 | 1,431,868 | 1,736,412 | 2,220,626 |
| 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 |
| Estate Before Taxes & Expenses | 5,171,306 | 6,999,815 | 8,221,612 | 9,521,481 | 11,115,156 |
| Additional Income Taxes | (583,969) | (973,343) | (1,244,494) | (1,319,128) | (1,010,751) |
| Final Estate | 4,587,329 | 6,026,472 | 6,977,119 | 8,202,354 | 10,104,405 |
| Estate Shrinkage (\$) | (415,267) | (238,232) | (192,374) | (422,284) | (1,214,876) |
| Estate Shrinkage (%) | -10% | -4% | -3% | -5% | -14% |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

DETAILED ESTATE ANALYSIS

INHERITANCE PLAN

This report is designed to show the effects of dying in a given year, and the resulting impact of taxation on the estate.

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|---|------------------|------------------|------------------|-------------------|-------------------|
| Non-Registered | | | | | |
| Rental Property | 765,000 | 914,246 | 0 | 0 | 0 |
| Portfolio #1 Investment Funds Spouse 2 | 125,473 | 188,401 | 261,807 | 381,205 | 625,733 |
| Portfolio #1 Investment Funds Spouse | 53,729 | 80,675 | 112,108 | 163,235 | 267,944 |
| Cash to Invest | 380,572 | 525,845 | 678,609 | 988,091 | 1,621,913 |
| Spouse PC Cash | 5,185 | 0 | 0 | 0 | 0 |
| Inheritance - Investment Management Company | 0 | 0 | 5,432,639 | 7,695,421 | 12,488,818 |
| Client Rental Proceeds | 0 | 0 | 556,156 | 810,883 | 1,331,033 |
| Portfolio #5 non-reg | 95,746 | 143,765 | 199,779 | 290,889 | 477,484 |
| Portfolio #4 Chequing Cash | 7,841 | 0 | 0 | 0 | 0 |
| Surplus Savings | 0 | 0 | 0 | 78,803 | 286,564 |
| USD Cash | 612 | 0 | 0 | 0 | 0 |
| Subtotal | 1,434,157 | 1,852,932 | 7,241,098 | 10,408,526 | 17,099,489 |
| Registered | | | | | |
| Daughter's RESP | 63,865 | 0 | 0 | 0 | 0 |
| Portfolio #1 RRSP Spouse | 304,863 | 539,369 | 836,739 | 869,239 | 572,572 |
| Portfolio #1 RRSP Client | 39,921 | 61,931 | 96,075 | 94,926 | 62,528 |
| Portfolio #1 TFSA Spouse | 79,750 | 193,185 | 299,694 | 464,923 | 834,935 |
| Portfolio #1 TFSA Client | 79,881 | 193,389 | 300,009 | 465,413 | 835,815 |
| Portfolio #3 LIRA Client | 25,398 | 39,401 | 61,124 | 60,394 | 39,782 |
| Portfolio #3 LIRA Client | 138,221 | 214,426 | 332,645 | 328,669 | 216,496 |
| Portfolio #3 RRSP Client | 235,458 | 365,273 | 566,658 | 559,884 | 368,799 |
| Portfolio #3 SpRRSP Spouse | 19,416 | 30,120 | 46,726 | 48,541 | 31,974 |
| Portfolio #6 RRSP Spouse | 13,602 | 21,101 | 32,734 | 34,006 | 22,400 |
| Portfolio #5 RRSP Spouse | 11,643 | 18,063 | 28,021 | 29,110 | 19,175 |
| Son's RESP | 49,263 | 0 | 0 | 0 | 0 |
| Portfolio #4 RRSP Client | 13,999 | 21,716 | 33,689 | 33,287 | 21,926 |
| Portfolio #2 RRSP Client | 52,376 | 202,438 | 366,577 | 362,195 | 238,579 |
| Subtotal | 1,127,655 | 1,900,412 | 3,000,692 | 3,350,586 | 3,264,980 |
| Private Corporations | | | | | |
| Common Shares | 58,440 | 78,310 | 79,434 | 64,646 | 0 |
| Subtotal | 58,440 | 78,310 | 79,434 | 64,646 | 0 |

| | 2019 | 2028 | 2037 | 2046 | 2058 |
|---|------------------|------------------|--------------------|--------------------|--------------------|
| Lifestyle | | | | | |
| Recreation Property | 107,100 | 127,994 | 152,965 | 182,808 | 231,844 |
| Inheritance - Other Estate Assets | 0 | 0 | 5,306,040 | 6,341,209 | 8,042,186 |
| Residence | 1,530,000 | 1,828,492 | 2,185,217 | 2,611,536 | 3,312,059 |
| Subtotal | 1,637,100 | 1,956,486 | 7,644,222 | 9,135,553 | 11,586,090 |
| Liabilities | | | | | |
| Rental Mortgage | (31,689) | 0 | 0 | 0 | 0 |
| Bank Loan | (24,303) | 0 | 0 | 0 | 0 |
| Spouse Car Loan | (29,399) | 0 | 0 | 0 | 0 |
| Subtotal | (85,391) | 0 | 0 | 0 | 0 |
| Pro-Forma Net Worth | 4,172,062 | 5,788,240 | 17,965,547 | 22,959,410 | 31,950,559 |
| Insurance Proceeds | | | | | |
| Life Insurance #3 Client | 304,120 | 419,827 | 554,118 | 740,293 | 1,080,356 |
| Life Insurance #2 Client | 55,505 | 63,027 | 70,883 | 80,331 | 92,773 |
| Life Insurance #1 Client | 408,927 | 488,706 | 559,144 | 650,747 | 749,216 |
| Life Insurance #4 Spouse | 225,692 | 235,016 | 247,723 | 265,041 | 298,281 |
| Subtotal | 994,244 | 1,206,576 | 1,431,868 | 1,736,412 | 2,220,626 |
| 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 |
| Estate Before Taxes & Expenses | 5,171,306 | 6,999,815 | 19,402,414 | 24,700,822 | 34,176,186 |
| Additional Income Taxes | (583,969) | (973,343) | (1,428,262) | (2,059,800) | (2,819,231) |
| Final Estate | 4,587,329 | 6,026,472 | 17,974,152 | 22,641,023 | 31,356,955 |
| Estate Shrinkage (\$) | (415,267) | (238,232) | (8,605) | 318,388 | 593,604 |
| Estate Shrinkage (%) | -10% | -4% | 0% | 1% | 2% |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

EDUCATION PLANNING

EDUCATION GOAL COVERAGE

Your ability to cover your education goal is determined by comparing your available resources to the total expected value of the goal. The following report shows the details and the projected goal coverage amount for your Current Plan.

DAUGHTER

| Resources | |
|--------------------------------------|-----------------|
| Assets Available Today | \$55,946 |
| Return Rate on Assets | 5.00% |
| Cost Details | |
| EDUCATION GOAL COVERAGE | 100% |
| Estimated Cost per Year (Today's \$) | \$6,000 |
| Annual Cost Index Rate | 4.00% |
| Start Year of Education | 2019 |
| Remaining Duration of Goal | 3 |
| Expense % Coverage | 100% |
| Estimated Total Cost | \$19,479 |
| Estimated Unused RESP | \$43,457 |

SON

| Resources | |
|--------------------------------------|-----------------|
| Assets Available Today | \$46,917 |
| Additional Savings + CESG (2019) | \$6,000 |
| Return Rate on Assets | 5.00% |
| Cost Details | |
| EDUCATION GOAL COVERAGE | 58% |
| Estimated Cost per Year (Today's \$) | \$10,000 |
| Annual Cost Index Rate | 4.00% |
| Start Year of Education | 2020 |
| Duration of Goal | 8 |
| Expense % Coverage | 100% |
| Estimated Total Cost | \$95,828 |
| Estimated Shortfall | \$41,892 |

Important: The calculations or other information generated by NaviPlan® version 18.1 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations.

INHERITANCE PLANNING

GROWTH & DISTRIBUTIONS ANALYSIS

The following table evaluates the projected value of the Investment Management Company over time given a number of different growth strategies.

| Year | Projected Growth | | | Withdrawals | | Projected Balance | | |
|------|------------------|-----------|-----------|-------------|----------|-------------------|-------------|--------------|
| | 0.00% | 3.00% | 5.00% | Parents | Spouse | 0.00% | 3.00% | 5.00% |
| 2020 | \$0 | \$150,000 | \$250,000 | \$225,000 | \$25,000 | \$5,000,000 | \$5,000,000 | \$5,000,000 |
| 2025 | \$0 | \$130,595 | \$250,000 | \$225,000 | \$25,000 | \$4,750,000 | \$4,900,000 | \$5,000,000 |
| 2030 | \$0 | \$111,577 | \$250,000 | \$225,000 | \$25,000 | \$3,250,000 | \$4,233,754 | \$5,000,000 |
| 2035 | \$0 | \$96,279 | \$261,250 | \$0 | \$25,000 | \$2,000,000 | \$3,580,797 | \$5,000,000 |
| 2040 | \$0 | \$107,632 | \$326,522 | \$0 | \$25,000 | \$1,200,000 | \$3,280,591 | \$5,461,250 |
| 2045 | \$0 | \$107,632 | \$326,522 | \$0 | \$25,000 | \$1,075,000 | \$3,670,376 | \$6,831,952 |
| 2045 | \$0 | \$120,793 | \$409,826 | \$0 | \$25,000 | \$950,000 | \$4,122,243 | \$8,581,353 |
| 2050 | \$0 | \$136,051 | \$516,147 | \$0 | \$25,000 | \$825,000 | \$4,646,081 | \$10,814,082 |
| 2055 | \$0 | \$153,738 | \$651,842 | \$0 | \$25,000 | \$700,000 | \$5,253,353 | \$13,663,673 |
| 2060 | \$0 | \$174,243 | \$825,026 | \$0 | \$25,000 | \$575,000 | \$5,957,348 | \$17,300,553 |

ASSUMPTIONS

Projected Growth – 0.00%, 3.00%, and 5.00% annual growth rates were used.

Withdrawals – Withdrawals of \$225,000 annually for Spouse’s Parents for the next 15 years and \$25,000 for Spouse over the entire projection have been used.

Projected Balance – Reflects the corresponding growth or depletion for each of the respective growth rate scenarios.

Taxation – Information on taxation within the portfolio and investment management corporation were not available and thus not factored into the analysis.

CONCLUSION & OBSERVATIONS

- Under each of the growth scenarios it is expected that Spouse will ultimately receive a sizeable inheritance from Investment Management Company upon her Parent’s passing (\$2,000,000 - \$5,000,000).
- Spouse’s Parents actual withdrawals are likely much less than illustrated, which will help with preservation of Goodfellow capital over time if market volatility were to occur.
- Additional withdrawals in the short-term and throughout retirement could be considered by both Spouse and her Parents:
 - Assuming a 0.00% return, an additional \$40,000 annually (\$290,000 total) could be withdrawn for the next 15 years and still allow for \$25,000 annual withdrawals thereafter until Spouse’s age 90.
 - Assuming a 5.00% return, an additional \$150,000 annually (\$400,000 total) could be withdrawn for the next 15 years and \$50,000 annual withdrawals thereafter until Spouse’s age 90 while still passing on \$3,500,000 at that time.
- This analysis does not consider additional estate inheritance from either Spouse or Client’s Parents such as real estate, art, and other personal assets which will make up your total inheritances.

GENERAL PLAN ASSUMPTIONS

Unless noted elsewhere in this plan, the following are the general assumptions made with regard to your plan.

INFLATION

Inflation is the rate at which the cost of living, wages, and income are expected to rise each year. General Inflation in your plan has been set to approximate the long-term Bank of Canada rate of 2.0%. Education costs continue to rise in Canada, and have been set to grow at a rate of 4.0% in accordance with the Statistics Canada average over the past 10 years.

INVESTMENT TYPES

Registered – Registered Retirement Savings Plan (RRSP)/Registered Retirement Income Fund, Locked-In-Retirement-Account (LIRA)/Life Income Fund (LIF).

TFSA – Tax Free Savings Accounts.

RESP – Registered Education Savings Plan.

Non-Registered – Regular Investment Accounts, Stock & Incentive Plans, Profit Sharing.

Private Corporation – Overall value of a business including investments, real estate, insurance, etc.

Real Estate – Rental properties, vacation properties.

Lifestyle Assets – Home, vehicles, personal belongings & valuables.

INVESTMENT RETURNS

Investment returns vary from year to year based on market conditions, economic trends, and the composition of your portfolio. Although linear returns cannot be expected each year, the plan has been structured to model the average long-term growth of your portfolio as determined by your risk profile. The plan assumes the following rate of return assumptions:

Investments – 5.00%

Cash – 0.50%

Real Estate – 2.00%

Income earned from taxable investment accounts (Non-Registered & Business) has been structured as follows: 10% Interest, 40% Dividends, 10% Capital Gains, 40% Deferred Growth.

PRE-RETIREMENT CASH FLOW SURPLUSES AND DEFICITS

We have structured your income, spending, and savings assumptions according to the information provided. For planning purposes, any surplus income remaining after taxes, lifestyle expenses, debt repayment, and savings is assumed to be spent. In the case of projected cash flow shortfalls, the plan assumes that you are able to meet your saving and spending needs according to the information provided.

DEBT REPAYMENT

Monthly payments, interest rates, and payment terms have been structured as per the information provided, and have been described in further detail in the 'Key Assumptions' section that follows.

GENERAL PLAN ASSUMPTIONS

INSURANCE COVERAGE

Insurance premiums and coverage amounts as well as any associated cash values have been structured to reflect the policy statements & illustrations where provided. Unless otherwise stated, the coverage period reflects the corresponding term of the policies in place. Employer sponsored plans end at retirement. Any proposed insurance strategies that have been illustrated in the plan are described in further details in the 'Major Assumptions' section that follows. Any refund of premium associated with a policy is projected to become available at the end of the corresponding coverage term with proceeds invested into the client's portfolio at this time. *Life Insurance proceeds have not been used to fund retirement spending needs unless noted elsewhere in this plan.*

GOVERNMENT BENEFITS & PENSIONS

Canada Pension Plan (CPP) and Old Age Security (OAS) benefits are projected to be available in full for each individual at the standard age of 65, unless we have been provided specific details or requests. Government Benefits have been indexed at 1.2% in the plan as a conservative measure to reduce reliance on the newly enhanced CPP program and encourage savings to achieve your retirement goals. Other Pension Plan growth is projected to grow annually at the rate of indexation stated in the plan documents where provided or at 1.2% (60% of inflation) where information was not provided. Survivor pension benefits reflect the plan documents where provided or 60% of the pension amount where information was not provided.

RETIREMENT LIQUIDATION ORDER

Investments are structured to be withdrawn to meet your needs as required beginning in retirement. The need to withdraw from your investments is reduced by other income sources such as government benefits (CPP/OAS), company pensions, rental or business income, salary from part-time work, and investment portfolio returns. The order of investment liquidation in retirement is structured as follows:

Non-Registered – Registered – TFSA

Registered investment accounts are subject to minimum withdrawal requirements beginning the year after an individual turns age 71 based on the size of the account. Where applicable, Private Corporation withdrawals have been structured annually in order to fully deplete the investment account by the end of the plan.

LIFE EXPECTANCY

Historically, life expectancy has increased as a result of the advancement in technology and healthcare. The current Canadian Life Expectancy age is 79 for males and 81 for females according to Stats Canada. The plan assumes a life expectancy of 90 years as a conservative measure to prepare for the possibility of longevity.

OTHER

Small cash/chequing/savings accounts are assumed to be used up prior to retirement.

DISCLAIMER

This analysis is hypothetical in nature and is intended to help you in making decisions on your financial future based on information that you have provided and reviewed.

Important: The calculations or other information generated by NaviPlan regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results.

Criteria, Assumptions, Methodology, and Limitations of the Analysis

The assumptions used in this analysis are based on information provided and reviewed by you. Those assumptions must be reconsidered on a frequent basis to ensure the results are adjusted accordingly. The smallest of changes in assumptions can have a dramatic impact on the outcome of this analysis. Any inaccurate representation by you of any facts or assumptions used in this analysis invalidates the results.

We have made no attempt to review your property and liability insurance policies (auto and homeowners, for example). We strongly recommend that in conjunction with this analysis, you consult with your property and liability agent to review your current coverage to ensure it continues to be appropriate. In doing so, you may wish to review the dollar amount of your coverage, the deductibles, the liability coverage (including an umbrella policy), and the premium amounts.

This analysis does not constitute advice in the areas of legal, accounting or tax. It is your responsibility to consult with the appropriate professionals in those areas either independently or in conjunction with this planning process.

Results May Vary With Each Use and Over Time

The results presented in this analysis are not predictions of actual results. Actual results may vary to a material degree due to external factors beyond the scope and control of this analysis. Historical data is used to produce future assumptions used in the analysis, such as rates of return. Past performance is not a guarantee or predictor of future performance.

The results are based on your representation of risk and include information that is current as of 8/24/2018. You are responsible for confirming that the answers you provided to determine your individual risk tolerance used in this analysis are accurately represented. Actual return rates and performance may vary to a significant degree from that represented in this analysis.

Investments Considered

This analysis does not consider the selection of individual securities; the analysis provides model portfolios. The results contained herein do not constitute an actual offer to buy, sell or recommend a particular investment or product. All investments are inherently risky. The asset classes and return rates used in the analysis are broad in nature. The illustrations are not indicative of the future performance of actual investments, which will fluctuate over time and may lose value.

There are risks associated with investing, including the risk of losing a portion or all of your initial investment.