

Personal Financial Plan

Prepared for:

Pete and Carrie Mitchell

918 Richmond Street

Toronto, Ontario

M5N 1V5

Prepared by:

Disclaimer

This document has been prepared to assist in the analysis of your current financial position, thereby helping to identify potential problem areas. Although great care has been taken to ensure the accuracy of all aspects of the document, it should be kept in mind that the various projections are based on numerous assumptions, and as such it is unlikely that the future will unfold exactly as illustrated. The investment and/or life insurance values projected within this plan should not be construed as a prediction or guarantee of future performance. This document is designed to help you chart the appropriate courses of action, and should be reviewed and revised regularly to ensure its timeliness and relevance to your changing financial position.

Personal Details

Date of Financial Analysis Jan 1, 2006
 Start of Financial Analysis Jan 1, 2006
 Plan Notes _____

Annual Review Date: _____

Title	<u>Mr.</u>	<u>Mrs.</u>
First Name	<u>Pete</u>	<u>Carrie</u>
Middle Name	_____	_____
Last Name	<u>Mitchell</u>	<u>Mitchell</u>
SIN	<u>123-456-789</u>	<u>987-654-321</u>
Date of Birth	<u>Nov 24, 1960</u>	<u>Mar 30, 1962</u>
Anticipated Retirement Age	<u>60</u>	<u>58</u>
Date of Retirement	<u>Nov 24, 2020</u>	<u>Mar 29, 2020</u>
Occupation	<u>Pilot</u>	<u>Teacher</u>
Employer / Company	<u>RareAir</u>	<u>MacDonald H.S.</u>

Address 918 Richmond Street

City Toronto
Ontario Postal Code M5N 1V5

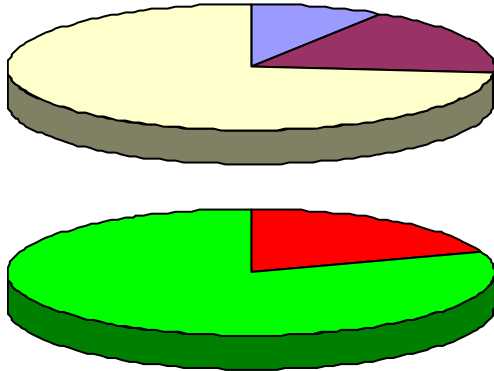
Home phone #	<u>416 784 1456</u>	<u>416 784 1456</u>
Business phone #	_____	_____
Business fax #	_____	_____
Mobile phone #	_____	_____

E-mail mitchells@hotmail.com
 Web Page _____

Dependants	Date of Birth	Relationship
<u>Jane</u>	<u>May 15, 1995</u>	<u>Daughter</u>
<u>Tony</u>	<u>Jan 25, 1997</u>	<u>Son</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Financial Situation

Net Worth



Assets

Non-registered investments	55,000
RRSPs / Pensions	106,204
Real estate / Other assets	450,000
Total Assets	611,204

Liabilities

Principal residence mortgage	105,000
Other debts	15,000
Total Liabilities	120,000
Net Worth	491,204

Sources of Income / Lifestyle Needs

Employment income
Pensions & Government benefits
RRSP / RRIF
Investment income
Other income

Total Income

Tax & Government programs

After-tax income

Combined after-tax income
Debt service
Lifestyle needs
Disposable income

Pete

75,000
2,572
77,572
16,418
61,154

Carrie

45,000
1,070
46,070
10,394
35,675

96,830
15,600
58,000
23,230

Retirement Objectives

Lifestyle needs in today's \$
Government benefits: CPP
Government benefits: OAS

50,000
Pete
Include CPP
Include OAS

Plan to age 90
Carrie
Include CPP
Include OAS

Estate Planning

Survivor income needs
Provide income to age
Final expenses / Bequests
Group life insurance
Other life insurance

Pete
43,500
90
25,000
225,000

Carrie
43,500
90
25,000
150,000

Priorities and Other Information

Risk Profile

Non-registered investments
 Registered investments
 Investment knowledge

Pete

Moderate growth
 Moderate Aggressive
 Fair

Carrie

Moderate growth
 Moderate Aggressive
 Fair

Suggested Allocation

Cash
 Bonds: Canadian
 Bonds: Foreign
 Equity: Canadian
 Equity: Foreign
 U.S. Equity
 Specialty

	Non-reg.	Registered	Non-reg.	Registered
Cash	0.00%	0.00%	0.00%	0.00%
Bonds: Canadian	30.00%	10.00%	30.00%	10.00%
Bonds: Foreign	10.00%	10.00%	10.00%	10.00%
Equity: Canadian	40.00%	60.00%	40.00%	60.00%
Equity: Foreign	20.00%	10.00%	20.00%	10.00%
U.S. Equity	0.00%	5.00%	0.00%	5.00%
Specialty	0.00%	5.00%	0.00%	5.00%

Areas of Concern

Will and trust planning No
 Estate planning No
 Charitable giving No
 Dependant survivor income needs No
 Investment allocation / Risk No
 Retirement income planning No

Education planning (RESP) No
 Income splitting / tax planning No
 Major purchases No
 Debt elimination / management No
 Life insurance needs No
 Disability / critical illness insurance No

Professional Advisors

Name & Address

Phone Number

Lawyer	_____	_____
Accountant	_____	_____
Investment advisor	_____	_____
Life insurance agent	_____	_____
Disability / CI insurance agent	_____	_____
Property insurance agent	_____	_____
Bank manager	_____	_____
Trust officer	_____	_____
Executor	_____	_____

Documents Provided for Review

Will and trust documents No
 Power of Attorney for Personal Care No
 Power of attorney for Property No
 Last years tax return No
 Current tax assessment No
 Other documents:

Investment / RRSP statements No
 Pension statements No
 Mortgage / Loan documents No
 Insurance policies No
 Corporate financial statements No

Assumptions

Income Tax Assumptions

The first year tax calculations are based on the current CRA T1 schedule.

The tax calculations beyond the first year of the projections are based on the current CRA T1 schedule with the following assumptions:

- Tax brackets and other income thresholds are indexed at inflation
- CPP & OAS benefits are indexed at inflation minus 2.00% (when included)

Estate tax is calculated at second death (with no tax triggered on first death), at the top marginal rate of 46.41%

The growth in non-sheltered investments is compounded after-tax at the following assumed marginal tax rates:

Pete	45.00%
Carrie	45.00%
Joint-owned	_____

Index Assumptions

	Rate	Interest	Dividends	Capital Gain	Realized Gains
Inflation	3.00%				
Cash	4.00%				
Bonds: Canadian	6.00%	85.00%	_____	15.00%	15.00%
Bonds: Foreign	7.00%	80.00%	_____	20.00%	15.00%
Equity: Canadian	8.00%	_____	10.00%	90.00%	10.00%
Equity: Foreign	9.00%	_____	5.00%	95.00%	10.00%
U.S. Equity	9.00%	_____	_____	100.00%	5.00%
Specialty	9.00%	_____	_____	100.00%	5.00%

Portfolio Turnover

	Non-registered	RRSP / RRIF		LRSP / MPP	
		Can.	For.	Can.	For.
Pete	10.00%	25.00%	5.00%	25.00%	5.00%
Carrie	10.00%	25.00%	5.00%	_____	_____
Joint-owned	_____	_____	_____	_____	_____

The projected returns for the various investment portfolios are calculated based on each year's asset allocation and the assumed return for each asset class. All index rates shown, including the rates of portfolio turnover, are the rates used in the first year of the projections. The assumed rates used beyond the first year may be different. Refer to the Return Assumptions documents for complete details.

Investment savings

	Non-registered	RRSP / RRIF		LRSP / MPP	
Pete	Monthly, First Day	Annual, First Day	_____	Annual, Last Day	_____
Carrie	Monthly, Last Day	Annual, First Day	_____	_____	_____
Joint-owned	_____	_____	_____	_____	_____

Investment withdrawals

	Non-registered	RRSP / RRIF		LRSP / MPP	
Pete	Annual, First Day	Annual, First Day	_____	Annual, First Day	_____
Carrie	Annual, First Day	Annual, First Day	_____	_____	_____
Joint-owned	_____	_____	_____	_____	_____

Note: The assumed frequency and timing of all investment activity is material to projected results.

Goals & Objectives

It's important that general financial objectives be broken down into specific, measurable, realistic and time-bound goals. Based on the information you provided, the following is a prioritized list of your individual goals:

- Provide for our children's education.
- Arrange our finances in such a way as to minimize income tax.
- Guarantee each other's financial security in the event of the other's death.
- Retire when Pete reaches 60 years of age.
- Accumulate sufficient assets for up to 30 years of retirement.
- Minimize taxes to our estate.
- Ensure that the cottage is kept within the family.

Potential Problems and/or Opportunities

Having analyzed your current financial situation and your stated goals, needs and priorities, the following problems and/or opportunities have been identified.

- Your current investment strategy and level of savings will probably not be sufficient to accumulate the assets necessary for you to be able to maintain your desired standard of living in retirement.
- You are paying more income tax in the higher tax brackets than you might otherwise have to, by not taking advantage of available income splitting strategies.
- You do not have sufficient life insurance to guarantee that either one of you would be able to maintain the desired standard of living in the event of the other's death.
- If Pete were to suffer a long term or permanent disability, you would have to significantly reduce your standard of living and possibly have to liquidate assets. This would in turn compromise your retirement income goals.

Recommendations and Strategies

This personal financial plan has been developed to offer suggestions as to how you might achieve your stated goals based on your current situation, needs, and priorities. Those recommendations are outlined below.

It's important that you understand the advantages, disadvantages, costs, risks and time sensitivity associated with each of the strategies outlined. It's also important that you realize the consequences of not taking action. Don't hesitate to ask should you have any questions.

- Change your asset allocation strategy to one that is more consistent with your risk profile, for all of your investment portfolios.
- Adopt a buy and hold strategy to maximize tax savings in non-registered investments.
- Maximize RRSP contributions, making annual deposits at the beginning of each year. Pete's contributions should be made to a spousal plan to take advantage of the income splitting opportunity in retirement.
- Carrie should do the non-registered investing so as to take advantage of the room projected to be available in the lower tax bracket.
- Invest all excess cashflow until retirement.
- Draw enough income from Carrie's RRSP in the early years of retirement to take full advantage of the bottom tax bracket.
- Access non-registered investments to supplement retirement income, before drawing on Pete's RRSPs.

Implementation and Monitoring

Once you've approved of the recommendations presented in this document, it's necessary to establish both how and when they'll be implemented. It's also important to decide on how often the financial plan should be reviewed, and what benchmarks will be used to measure success.

- Transfer RRSPs to new allocation.
- Maximize deposits to RRSPs by using non-registered savings.
- Move balance of non-registered to new allocation.
- Transfer RESP to new allocation and increase monthly deposits.
- Apply for changes to disability insurance.
- Apply for life insurance and arrange for medical.

Risk Tolerance

Suggested portfolio allocation based on risk tolerance

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

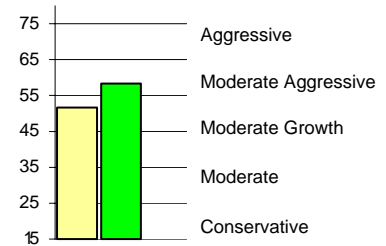
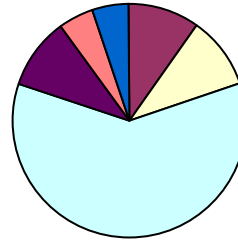
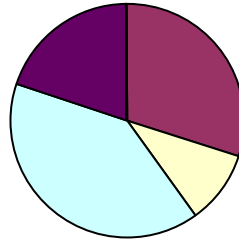
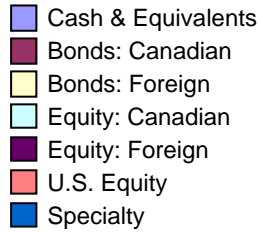
Personal Risk Tolerance: Pete Mitchell

Suggested Asset Mix

(A) Non-registered

(B) Registered

Risk Tolerance
(A) (B)



	Cash & Equivalents	Bonds		Equity		U.S. Equity	Specialty
		Canadian	Foreign	Canadian	Foreign		
(A) Non-registered Allocation	0	30%	10%	40%	20%	0	0
(B) Registered Allocation	0	10%	10%	60%	10%	5%	5%

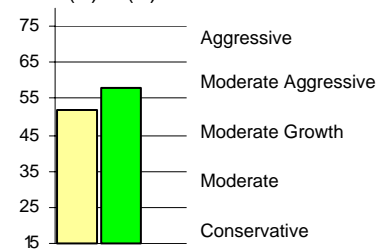
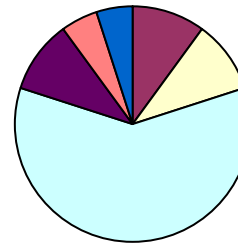
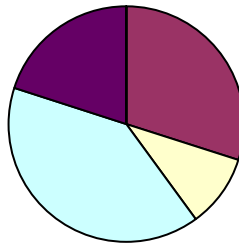
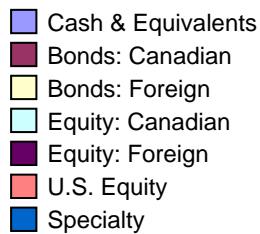
Personal Risk Tolerance: Carrie Mitchell

Suggested asset mix

(A) Non-registered

(B) Registered

Risk Tolerance
(A) (B)



	Cash & Equivalents	Bonds		Equity		U.S. Equity	Specialty
		Canadian	Foreign	Canadian	Foreign		
(A) Non-registered Allocation	0	30%	10%	40%	20%	0	0
(B) Registered Allocation	0	10%	10%	60%	10%	5%	5%

Model Portfolios

Non-registered

	Cash & Equivalents	Bonds		Equity		U.S. Equity	Specialty
		Canadian	Foreign	Canadian	Foreign		
Conservative	60%	20%		20%			
Moderate	20%	30%	10%	40%			
Moderate Growth		30%	10%	40%	20%		
Moderate Aggressive		10%	10%	50%	20%	5%	5%
Aggressive				60%	30%	5%	5%

Registered

Conservative	60%	20%		20%			
Moderate	20%	30%	10%	40%			
Moderate Growth		30%	10%	40%	20%		
Moderate Aggressive		10%	10%	60%	10%	5%	5%
Aggressive				70%	20%	5%	5%

Projected Income

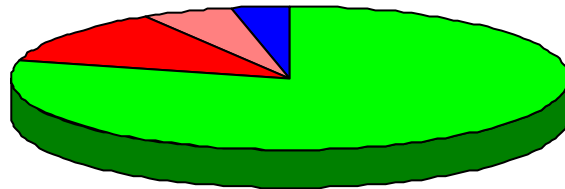
Projected after-tax income from all sources

Prepared for: **Pete Mitchell**

Prepared by:

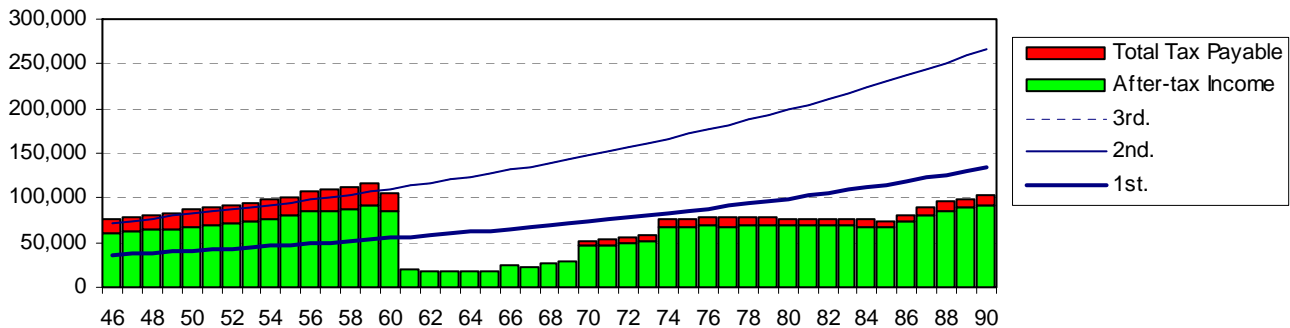
Income Tax

After-tax Income Received	61,154	78.84%
Federal Tax	9,691	12.49%
OAS Clawback	0	0.00%
Provincial Tax	4,087	5.27%
CPP / EI Premium	2,640	3.40%
Total Income Received	77,572	



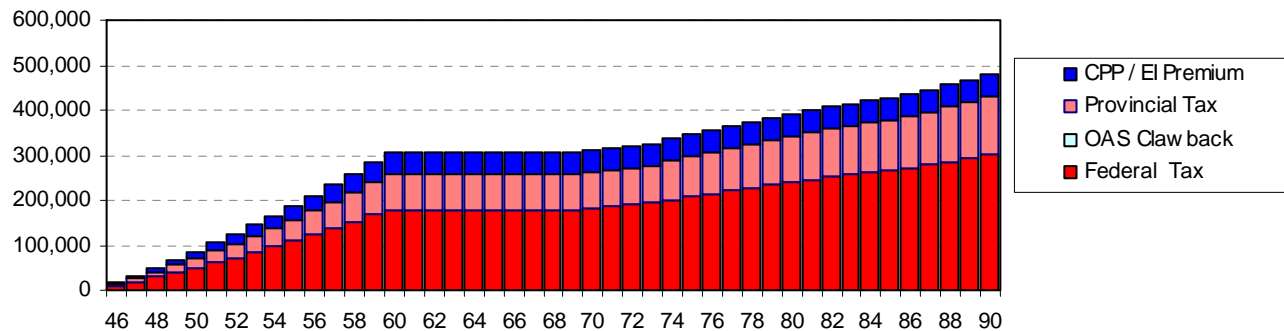
One of the keys to a successful financial plan is to minimize the burden of income taxes by arranging your affairs in order to pay the minimum tax required by law.

The chart above represents your current total income received from all sources (including non-taxable amounts) and the percentage paid to the various taxes and government benefits. The chart below compares your future projected after-tax income and total tax payable to the current federal tax brackets indexed for inflation.



One of the most effective ways to increase income is to reduce tax by taking full advantage of lower tax brackets. While we don't know for sure what will happen to tax brackets in the future, this illustration is extremely helpful in identifying the need for tax planning strategies, which are most effective when planned and implemented at the earliest possible stage.

The chart below illustrate the total cumulative payments you can expect to make over your lifetime to the various taxes and government benefits.



Projected Income

Projected after-tax income from all sources

Prepared for: **Pete Mitchell**

Prepared by:

Year	Age	Total Income	Total Deductions	Net Federal Tax	OAS Clawback	Provincial Tax	CPP / EI Premiums	After-tax Income
1	46	76,734	13,097	9,691	0	4,087	2,640	60,316
2	47	78,687	14,436	9,688	0	4,077	2,719	62,202
3	48	81,168	14,872	9,969	0	4,209	2,801	64,189
4	49	83,731	14,322	10,472	0	4,447	2,885	65,928
5	50	86,378	14,752	10,810	0	4,593	2,971	68,003
6	51	89,113	15,194	11,161	0	4,745	3,060	70,147
7	52	91,948	15,650	11,525	0	4,903	3,152	72,368
8	53	94,917	16,120	11,909	0	5,071	3,247	74,691
9	54	98,048	16,603	12,317	0	5,250	3,344	77,137
10	55	101,330	17,101	12,747	0	5,441	3,445	79,698
11	56	108,320	17,614	14,026	0	6,046	3,548	84,699
12	57	108,882	18,143	13,847	0	5,930	3,654	85,450
13	58	112,675	18,687	14,364	0	6,161	3,764	88,386
14	59	116,756	19,248	14,930	0	6,416	3,877	91,533
15	60	105,595	19,825	11,825	0	5,053	3,993	84,724
16	61	19,342	5,700	0	0	0	0	19,342
17	62	18,875	5,581	0	0	0	0	18,875
18	63	18,451	5,290	0	0	0	0	18,451
19	64	17,961	445	0	0	43	0	17,918
20	65	17,990	0	0	0	0	0	17,990
21	66	25,133	0	0	0	21	0	25,111
22	67	22,432	0	0	0	0	0	22,432
23	68	27,383	0	0	0	81	0	27,303
24	69	29,572	0	199	0	174	0	29,199
25	70	52,380	0	3,633	0	1,515	0	47,232
26	71	52,796	0	3,579	0	1,496	0	47,721
27	72	55,029	0	3,797	0	1,584	0	49,649
28	73	57,479	0	4,043	0	1,683	0	51,753
29	74	76,266	0	6,974	0	2,831	0	66,461
30	75	76,939	0	6,891	0	2,803	0	67,245
31	76	78,193	0	6,929	0	2,820	0	68,444
32	77	77,602	0	6,617	0	2,703	0	68,283
33	78	77,520	0	6,399	0	2,622	0	68,499
34	79	77,284	0	6,198	0	2,548	0	68,538
35	80	77,020	0	5,988	0	2,471	0	68,562
36	81	76,706	0	5,766	0	2,388	0	68,551
37	82	76,315	0	5,529	0	2,300	0	68,486
38	83	75,846	0	5,275	0	2,205	0	68,366
39	84	75,304	0	5,006	0	2,105	0	68,192
40	85	74,766	0	4,734	0	2,003	0	68,029

Projected Income

Projected after-tax income from all sources

Prepared for: **Pete Mitchell**

Prepared by:

Year	Age	Total Income	Total Deductions	Net Federal Tax	OAS Clawback	Provincial Tax	CPP / EI Premiums	After-tax Income
41	86	81,270	0	5,570	0	2,331	0	73,369
42	87	90,161	0	6,748	0	2,795	0	80,617
43	88	95,456	0	7,361	0	3,039	0	85,055
44	89	99,560	0	7,783	0	3,209	0	88,568
45	90	103,312	0	8,143	0	3,355	0	91,813

Projected Income

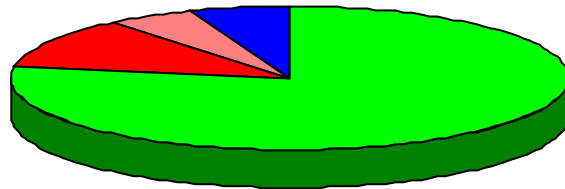
Projected after-tax income from all sources

Prepared for: **Carrie Mitchell**

Prepared by:

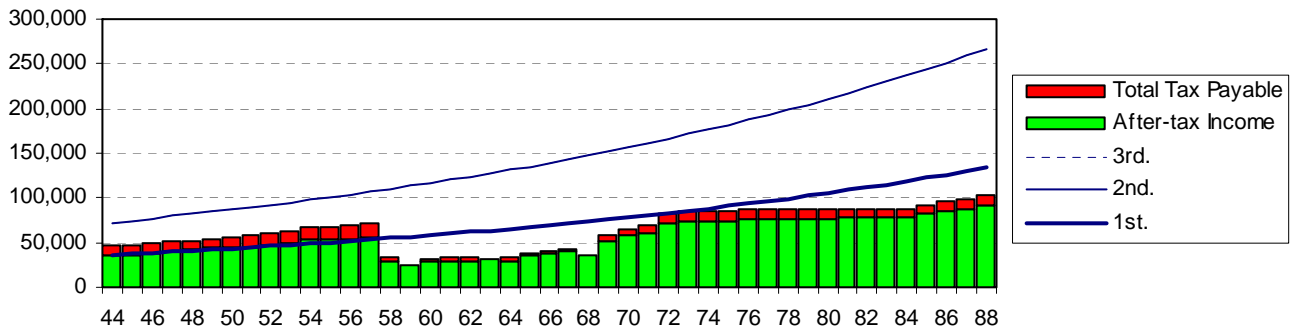
Income Tax

After-tax Income Received	35,675	77.44%
Federal Tax	5,446	11.82%
OAS Clawback	0	0.00%
Provincial Tax	2,308	5.01%
CPP / EI Premium	2,640	5.73%
Total Income Received	46,070	



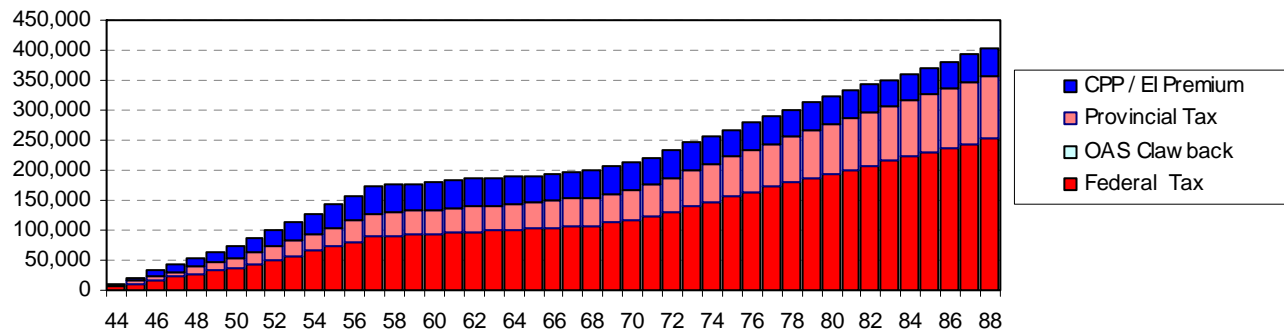
One of the keys to a successful financial plan is to minimize the burden of income taxes by arranging your affairs in order to pay the minimum tax required by law.

The chart above represents your current total income received from all sources (including non-taxable amounts) and the percentage paid to the various taxes and government benefits. The chart below compares your future projected after-tax income and total tax payable to the current federal tax brackets indexed for inflation.



One of the most effective ways to increase income is to reduce tax by taking full advantage of lower tax brackets. While we don't know for sure what will happen to tax brackets in the future, this illustration is extremely helpful in identifying the need for tax planning strategies, which are most effective when planned and implemented at the earliest possible stage.

The chart below illustrate the total cumulative payments you can expect to make over your lifetime to the various taxes and government benefits.



Projected Income

Projected after-tax income from all sources

Prepared for: **Carrie Mitchell**

Prepared by:

Year	Age	Total Income	Total Deductions	Net Federal Tax	OAS Clawback	Provincial Tax	CPP / EI Premiums	After-tax Income
1	44	45,915	1,600	5,446	0	2,308	2,640	35,521
2	45	47,467	1,641	5,639	0	2,393	2,719	36,716
3	46	49,072	2,777	5,572	0	2,380	2,801	38,319
4	47	50,732	4,960	5,274	0	2,275	2,885	40,299
5	48	52,451	6,114	5,248	0	2,267	2,971	41,965
6	49	54,229	7,305	5,221	0	2,260	3,060	43,687
7	50	56,075	6,818	5,574	0	2,410	3,152	44,939
8	51	58,011	4,522	6,338	0	2,732	3,247	45,694
9	52	60,057	4,640	6,588	0	2,841	3,344	47,284
10	53	62,209	4,761	6,853	0	2,956	3,445	48,955
11	54	67,893	4,886	7,931	0	3,403	3,548	53,011
12	55	67,349	5,015	7,597	0	3,269	3,654	52,829
13	56	69,829	5,147	7,917	0	3,407	3,764	54,741
14	57	72,506	5,284	8,271	0	3,560	3,877	56,799
15	58	32,643	3,439	1,605	0	805	512	29,721
16	59	25,207	0	927	0	453	0	23,826
17	60	31,189	0	1,802	0	795	0	28,592
18	61	33,003	0	2,030	0	884	0	30,088
19	62	32,748	2,042	1,922	0	842	0	29,984
20	63	32,411	0	1,029	0	494	0	30,888
21	64	32,945	0	2,069	0	898	0	29,977
22	65	37,073	0	953	0	462	0	35,658
23	66	41,142	0	2,128	0	922	0	38,092
24	67	42,675	0	2,261	0	975	0	39,438
25	68	36,740	0	1,220	0	571	0	34,948
26	69	57,206	0	4,267	0	1,764	0	51,175
27	70	65,993	0	5,517	0	2,255	0	58,221
28	71	68,378	0	5,764	0	2,354	0	60,260
29	72	83,898	0	8,387	0	3,513	0	71,999
30	73	84,793	0	8,304	0	3,456	0	73,032
31	74	85,839	0	8,300	0	3,414	0	74,126
32	75	86,094	0	8,140	0	3,296	0	74,657
33	76	86,455	0	7,994	0	3,243	0	75,218
34	77	86,709	0	7,822	0	3,180	0	75,706
35	78	86,958	0	7,644	0	3,115	0	76,200
36	79	87,186	0	7,456	0	3,046	0	76,685
37	80	87,373	0	7,262	0	2,974	0	77,137
38	81	87,508	0	7,103	0	2,917	0	77,488
39	82	87,579	0	6,932	0	2,854	0	77,794
40	83	87,626	0	6,753	0	2,788	0	78,085

Projected Income

Projected after-tax income from all sources

Prepared for: **Carrie Mitchell**

Prepared by:

Year	Age	Total Income	Total Deductions	Net Federal Tax	OAS Clawback	Provincial Tax	CPP / EI Premiums	After-tax Income
41	84	88,108	0	6,647	0	2,749	0	78,711
42	85	91,738	0	7,011	0	2,896	0	81,831
43	86	95,794	0	7,433	0	3,065	0	85,296
44	87	99,103	0	7,733	0	3,187	0	88,184
45	88	102,204	0	7,993	0	3,294	0	90,917

Projected Cash Flow

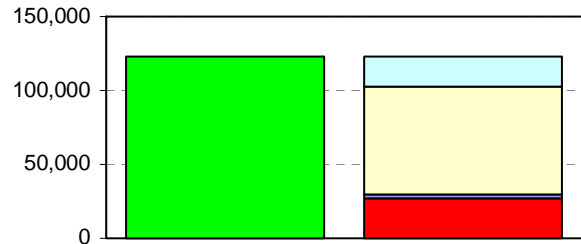
Projected after-tax income compared to income needs

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

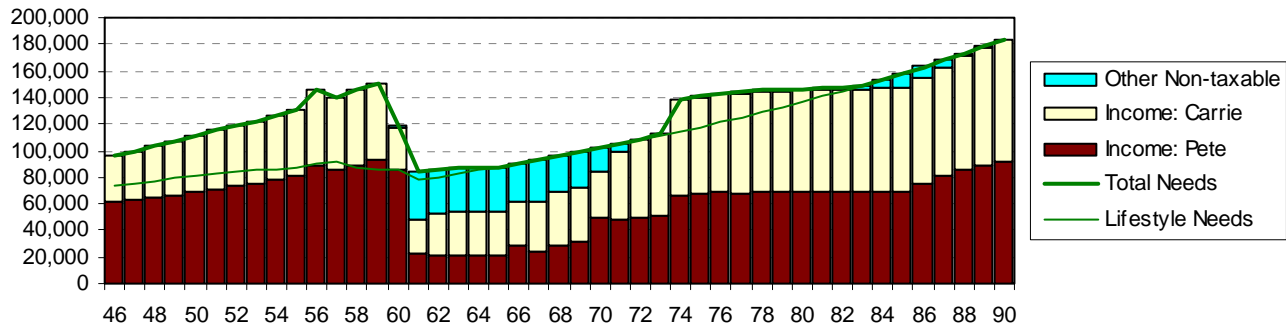
Cash Flow

Total Income	123,642	
Tax Payable	26,812	21.69%
Reinvested Growth	2,533	2.05%
Lifestyle Needs	73,600	59.53%
Investment Activity	20,697	16.74%
Excess / (Deficiency)	0	0.00%



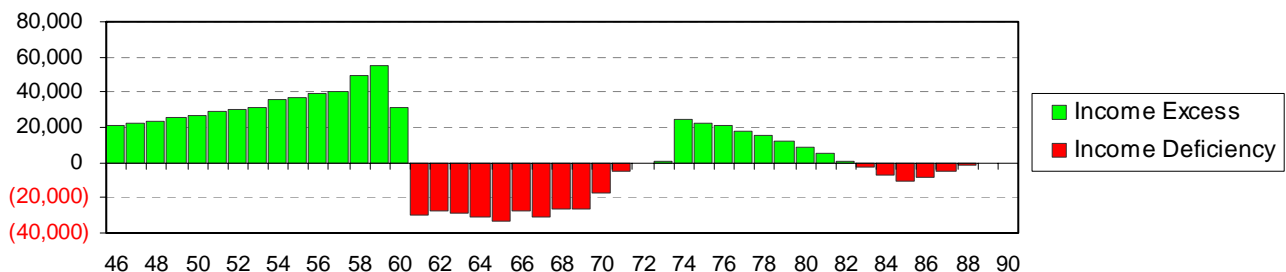
The chart above compares your current total income from all sources to your needs including income taxes, investment activity and your lifestyle. The chart below compares your future projected lifestyle needs and investment activity to your after tax income from all sources.

Investing excess income in the earning years helps ensure that there is sufficient capital to provide for a secure retirement. To correct a projected shortfall in the retirement years, you can invest more during the earning years, invest more efficiently, plan on working longer, or reduce your expectations for retirement income.



The chart below illustrates any excess income after taxes and lifestyle needs, but before investment activity. Normally referred to as disposable income, this is the amount annually that you have to invest for the future.

Also presented are income deficiencies, these after-tax amounts are needed in addition to your after-tax income to meet your lifestyle needs. In a successful financial plan, there will be a minimum amount of income deficiencies that will be offset by non-taxable principal withdrawals from non-registered investments.



Projected Cash Flow

Projected after-tax income compared to income needs

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Year	Age	Total Income	Total Tax Payable	Re-invested Growth	Lifestyle Needs	Disposable Income	Investment Activity	Excess (Deficiency)
1	46	123,642	26,812	2,533	73,600	20,697	20,697	0
2	47	126,815	27,235	2,164	75,340	22,076	22,076	0
3	48	131,025	27,731	2,512	77,132	23,650	23,650	0
4	49	135,388	28,237	2,891	78,978	25,282	25,282	0
5	50	139,909	28,861	3,302	80,880	26,865	26,865	0
6	51	144,593	29,508	3,748	82,838	28,499	28,499	0
7	52	149,465	30,717	4,241	84,855	29,653	29,651	1
8	53	154,587	32,543	4,819	86,066	31,159	31,159	0
9	54	160,018	33,684	5,521	85,473	35,340	35,340	0
10	55	165,748	34,886	6,340	87,677	36,845	36,845	0
11	56	183,726	38,502	15,970	89,947	39,307	39,307	0
12	57	178,082	37,951	7,685	92,286	40,160	40,160	0
13	58	184,591	39,377	8,672	87,069	49,473	49,472	0
14	59	191,632	40,930	9,904	85,175	55,623	55,623	0
15	60	140,926	23,793	0	85,713	31,420	31,420	0
16	61	49,903	1,380	0	77,898	(29,376)	(29,376)	0
17	62	55,497	2,597	0	80,235	(27,335)	(27,335)	0
18	63	57,116	2,915	0	82,642	(28,442)	(28,442)	0
19	64	56,459	2,808	0	85,122	(31,470)	(31,473)	3
20	65	56,046	1,523	0	87,675	(33,152)	(33,153)	1
21	66	65,184	2,989	0	90,306	(28,111)	(28,112)	1
22	67	63,692	1,415	0	93,015	(30,738)	(30,739)	1
23	68	72,122	3,131	0	95,805	(26,814)	(26,816)	2
24	69	75,636	3,609	0	98,679	(26,653)	(26,701)	48
25	70	91,298	6,939	0	101,640	(17,280)	(17,285)	5
26	71	110,662	11,106	0	104,689	(5,133)	(5,150)	17
27	72	121,081	13,152	8	107,830	92	80	11
28	73	125,920	13,844	9	111,064	1,002	986	16
29	74	160,251	21,704	0	114,396	24,151	24,123	27
30	75	161,878	21,455	0	117,828	22,595	22,559	37
31	76	164,733	21,462	220	121,363	21,688	21,633	55
32	77	163,867	20,756	0	125,004	18,107	18,035	72
33	78	164,214	20,258	0	128,754	15,202	15,111	91
34	79	164,308	19,748	0	132,617	11,943	11,834	109
35	80	164,378	19,217	0	136,595	8,565	8,438	128
36	81	164,379	18,656	0	140,693	5,030	4,882	147
37	82	164,264	18,065	0	144,914	1,285	1,114	171
38	83	164,078	17,500	0	149,261	(2,684)	(2,887)	203
39	84	163,864	16,897	0	153,739	(6,771)	(7,000)	229
40	85	163,656	16,278	0	158,351	(10,973)	(11,230)	257

Projected Cash Flow

Projected after-tax income compared to income needs

Prepared for: **Pete and Carrie Mitchell**
 Prepared by:

Year	Age	Total Income	Total Tax Payable	Re-invested Growth	Lifestyle Needs	Disposable Income	Investment Activity	Excess (Deficiency)
41	86	172,155	17,298	0	163,102	(8,245)	(8,809)	564
42	87	182,606	19,450	0	167,995	(4,839)	(5,340)	501
43	88	191,865	20,899	0	173,035	(2,068)	(2,563)	495
44	89	199,256	21,912	0	178,226	(882)	(1,372)	490
45	90	206,112	22,786	0	183,573	(246)	(733)	487

Projected Net Worth

Projected net worth including estate values

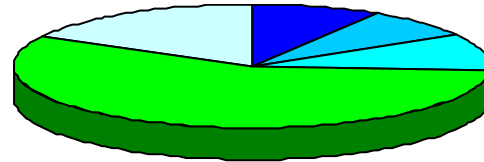
Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Assets

Non-registered	55,000	9.00%
RRSP / RRIF	45,000	7.36%
Pension	61,204	10.01%
Real Estate	345,000	56.45%
Other Assets	105,000	17.18%

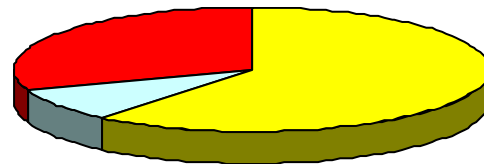
Total Assets 611,204 **100.00%**



Liabilities

Principal Residence	105,000	60.83%
Other Debts	15,000	8.69%
Deferred Taxes	52,619	30.48%

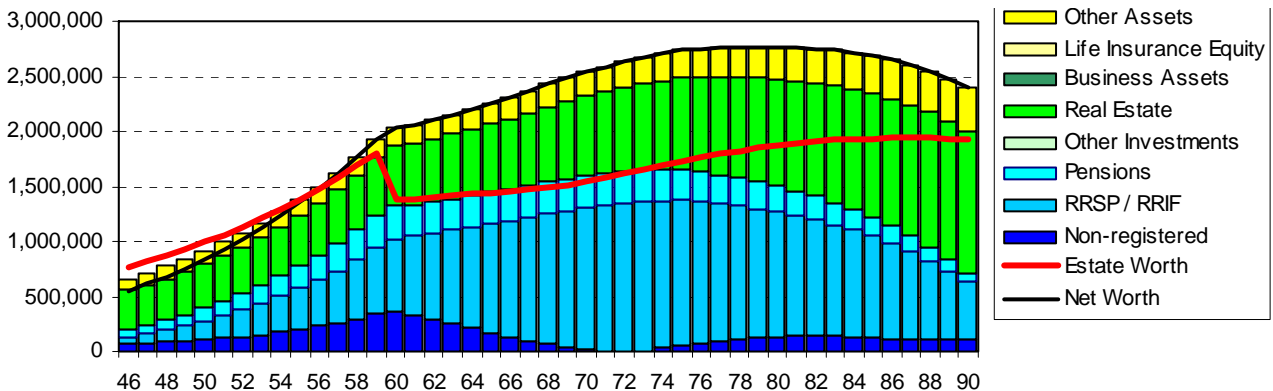
Total Liabilities 172,619 **100.00%**



Net Worth 438,585

The two charts above provide a breakdown of your total current assets and liabilities. The asset chart compares various categories of assets to your total assets while the liabilities chart compares the different types of debt you have and any deferred taxes to your total liabilities.

The Net Worth chart below offers an overview of how your assets are likely to grow based on the assumptions we have made. This illustration includes your personal assets, investments, principal residence, other real estate, and business interests at their anticipated rates of growth. The net worth line represents the total value of all assets net of any debts.



The chart also illustrates the impact of taxes and other expenses in the event of death at any given point in time. The estate worth line equals your total assets plus life insurance proceeds less taxes, debts, probate and other fees as well as any other adjustments at death.

For most people taxes will represent the largest single expense to the estate, life insurance may offer an economical way to replace this lost value to your heirs.

Net Worth Statement

Current net worth statement including deferred taxes

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Date: January 1st, 2006	Pete	Carrie	Sub Total	Total
Assets				
Non-registered Investments				
Personal Loans	0	0	0	
Investment Portfolio	30,000	25,000	55,000	
Joint Portfolio	0	0	0	<u>55,000</u>
RRSP / RRIF & Pensions				
RRSP / RRIF	20,000	25,000	45,000	
Defined Contribution Pension / LIRA	15,000	0	15,000	
Defined Benefit Pension	0	46,204	46,204	<u>106,204</u>
Other Investments				
Education Savings	0	0	0	
Trust Assets	0	0	0	<u>0</u>
Real Estate				
Principal Residence	125,000	125,000	250,000	
Recreational Property	47,500	47,500	95,000	
Commercial Real Estate	0	0	0	<u>345,000</u>
Other Assets				
Business Interests	0	0	0	
Life & Disability Equity	0	0	0	
Stock Options	0	0	0	
Annuities	0	0	0	
Personal Use Assets	<u>52,500</u>	<u>52,500</u>	105,000	<u>105,000</u>
Total Assets	<u>290,000</u>	<u>321,204</u>		<u>611,204</u>
Liabilities				
Principal Residence	52,500	52,500	105,000	
Recreational property	0	0	0	
Commercial Real Estate	0	0	0	
Consumer Debt	7,500	7,500	15,000	
Other Loans	<u>0</u>	<u>0</u>	0	<u>120,000</u>
Total Liabilities	<u>60,000</u>	<u>60,000</u>		<u>120,000</u>
Deferred Taxes				
Non-registered Investments	1,624	348	1,972	
RRSP / RRIF & Pensions	16,244	21,640	37,884	
Real Estate	6,381	6,381	12,763	
Other Assets	<u>0</u>	<u>0</u>	0	<u>52,619</u>
Total Deferred Taxes	<u>24,249</u>	<u>28,370</u>		<u>52,619</u>
Family Net Worth (After Taxes)	<u>205,751</u>	<u>232,834</u>		<u>438,585</u>

Projected Net Worth

Projected net worth and estate values

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Year	Age	Assets	Liabilities	Net Worth Before Taxes	Deferred Taxes	Adjustments	Life Insurance	Net Worth Estate
1	46	663,322	113,085	550,237	64,709	89,634	375,000	770,894
2	47	717,669	105,617	612,052	77,970	95,022	381,750	820,809
3	48	777,281	97,537	679,744	93,099	100,906	388,703	874,442
4	49	842,392	88,776	753,616	110,221	107,205	395,864	932,054
5	50	913,292	79,257	834,035	129,457	113,911	403,239	993,907
6	51	991,711	68,889	922,823	151,279	121,705	410,837	1,060,676
7	52	1,076,823	57,567	1,019,256	174,885	130,220	418,662	1,132,813
8	53	1,169,081	46,050	1,123,031	199,473	139,346	426,722	1,210,933
9	54	1,271,812	36,523	1,235,289	226,367	149,160	435,023	1,294,785
10	55	1,382,960	26,416	1,356,545	255,774	159,625	443,574	1,384,720
11	56	1,496,601	15,693	1,480,907	283,748	170,625	452,381	1,478,916
12	57	1,620,771	4,317	1,616,454	317,114	182,315	461,453	1,578,477
13	58	1,762,191	0	1,762,191	353,424	194,663	470,796	1,684,900
14	59	1,918,602	0	1,918,602	392,949	207,656	480,420	1,798,417
15	60	2,035,457	0	2,035,457	426,550	224,944	0	1,383,962
16	61	2,052,491	0	2,052,491	443,942	221,394	0	1,387,155
17	62	2,101,883	0	2,101,883	468,572	232,748	0	1,400,563
18	63	2,153,713	0	2,153,713	494,393	244,972	0	1,414,348
19	64	2,206,350	0	2,206,350	520,300	258,096	0	1,427,954
20	65	2,261,621	0	2,261,621	546,546	272,227	0	1,442,848
21	66	2,312,157	0	2,312,157	568,628	287,294	0	1,456,235
22	67	2,369,733	0	2,369,733	593,263	303,613	0	1,472,857
23	68	2,427,533	0	2,427,533	615,243	321,136	0	1,491,154
24	69	2,484,781	0	2,484,781	636,149	339,942	0	1,508,690
25	70	2,538,456	0	2,538,456	659,028	340,134	0	1,539,295
26	71	2,587,252	0	2,587,252	673,219	339,798	0	1,574,235
27	72	2,633,053	0	2,633,053	683,181	338,934	0	1,610,937
28	73	2,676,955	0	2,676,955	691,717	337,519	0	1,647,718
29	74	2,710,327	0	2,710,327	684,419	335,334	0	1,690,574
30	75	2,741,886	0	2,741,886	676,776	332,501	0	1,732,609
31	76	2,753,819	0	2,753,819	660,628	328,609	0	1,764,581
32	77	2,762,961	0	2,762,961	644,568	323,936	0	1,794,457
33	78	2,768,826	0	2,768,826	628,249	318,406	0	1,822,172
34	79	2,771,115	0	2,771,115	611,724	311,944	0	1,847,448
35	80	2,769,506	0	2,769,506	594,932	304,468	0	1,870,105
36	81	2,763,657	0	2,763,657	577,826	295,889	0	1,889,941
37	82	2,753,196	0	2,753,196	560,372	286,113	0	1,906,711
38	83	2,737,599	0	2,737,599	542,513	275,032	0	1,920,054
39	84	2,716,355	0	2,716,355	524,178	262,534	0	1,929,642
40	85	2,688,944	0	2,688,944	505,258	248,498	0	1,935,188

Projected Net Worth

Projected net worth and estate values

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Year	Age	Assets	Liabilities	Net Worth Before Taxes	Deferred Taxes	Adjustments	Life Insurance	Net Worth Estate
41	86	2,652,353	0	2,652,353	482,098	232,742	0	1,937,513
42	87	2,605,509	0	2,605,509	451,863	215,116	0	1,938,530
43	88	2,548,412	0	2,548,412	415,821	195,478	0	1,937,113
44	89	2,480,761	0	2,480,761	374,648	173,672	0	1,932,440
45	90	2,401,911	0	2,401,911	328,371	149,521	0	1,924,018

Retirement Capital Needs

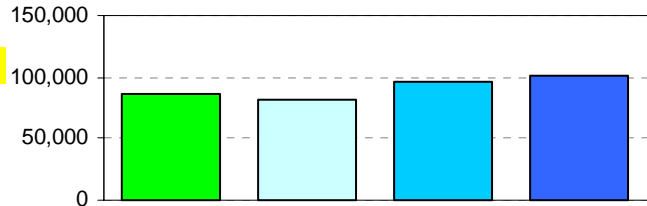
Projected retirement income compared to lifestyle goals

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Lifestyle Needs

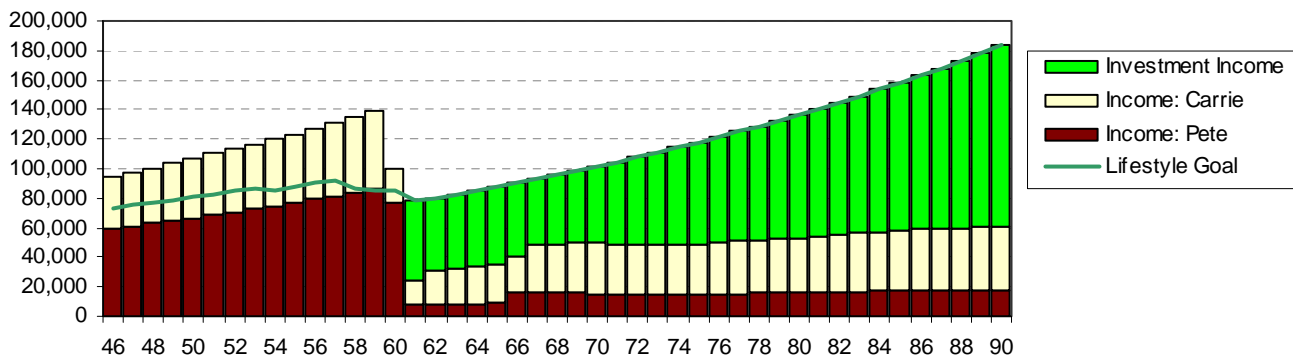
	Lifestyle Goal	% of Goal
■ Lifestyle Goal	85,713	100%
■ Conservative	81,947	96%
■ Moderate	95,717	112%
■ Aggressive	101,392	118%



Retirement capital needs planning is the process of calculating the fixed after-tax income you expect to receive in retirement from sources such as pensions and government benefits, then comparing it to your retirement lifestyle goals. The difference is the amount that you must provide from investments such as RRSPs and other non-registered savings. Having done this you can then calculate the total capital that will be necessary based on different asset allocations and return assumptions. It is also possible to calculate the sort of income you may expect in the future based on your current savings and investment plans.

The graph above compares your projected lifestyle goals in retirement with what you can realistically expect as a retirement lifestyle, assuming three sample asset allocations with varying degrees of risk. Depending on your current investment allocation and the level of risk you are prepared to accept, it may be necessary to adjust your planned lifestyle goals.

The chart below compares your future projected lifestyle needs to your after-tax fixed income from all sources. Also charted is the amount of after-tax income that you can expect to generate from your income producing assets such as RRSPs and other non-registered savings.



Any projected shortfall indicates a need for planning. As all available resources have already been considered in assessing the accumulation requirements however, there are few alternatives to consider. Today's lifestyle can be scaled back to free up additional capital for investment, or the lifestyle goal in retirement can be reduced to a level that can be supported by the projected accumulations.

Alternatively, new planning strategies can be formulated to maximize returns on available resources in order to reach the accumulation target. Tax efficient investments and an appropriate asset allocation strategy can also help you to meet your retirement goals.

Retirement Capital Needs

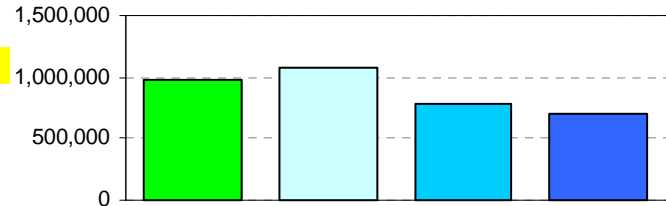
Projected capital required at retirement compared to available capital

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

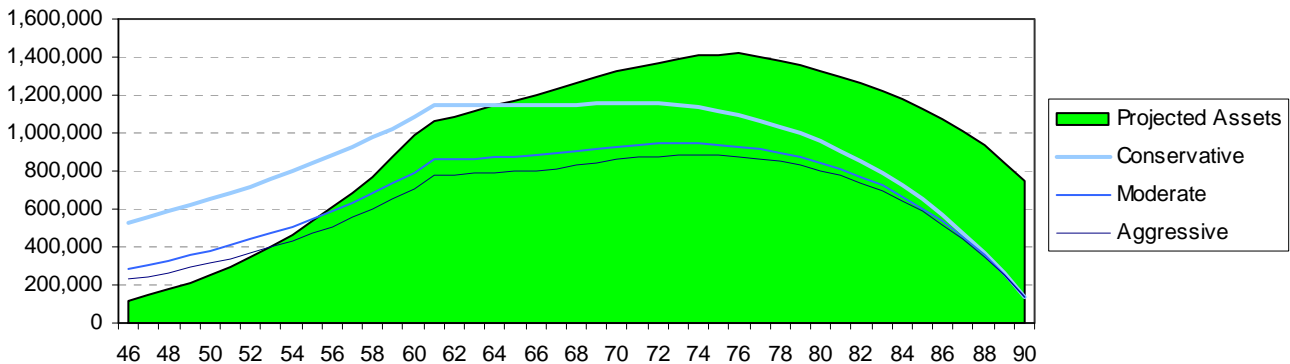
Income Producing Assets

	<u>Amount</u>	<u>Return</u>
Projected Assets	984,234	7.70%
Conservative	1,079,454	5.20%
Moderate	787,748	7.50%
Aggressive	704,093	8.40%



The chart above shows the amount of capital you will require in order to fund the retirement lifestyle you've indicated you wish to have. How your assets are allocated will determine how much money you will require at retirement – based on past performance, conservative investors will require a higher level of savings. The “projected assets” heading represents your assets as they are currently invested.

The chart below illustrates how different asset allocations would effect your ability to retire at a certain date. Each crossover point, which is where a line representing one of the three sample allocations meets the projected assets, indicates a point in time where accumulations should be sufficient to meet your goals assuming the investment strategy indicated by the line graph is employed. The more conservative the approach, the larger the pool of capital that will be required at retirement. Your investment strategy between now and retirement will dictate the annual savings level required to meet your goals.



With any retirement planning analysis, if there is an indication that you may not be able to meet your goals, there are generally only three courses of action you can take.

First you can choose to do nothing, this will ultimately force you to reduce your need for income in the future by working longer or spending less resulting in a lowering of planned lifestyle.

Second you can save more now, this will have an impact on your current standard of living forcing you to reduce what you are now spending on such things as entertainment, vacations and other discretionary items.

Third you can better manage your resources, this requires developing strategies for investment and taxes to maximize the future growth of your assets so you will have the capital necessary at your planned retirement date to provide you with the lifestyle you want.

Survivor Capital Needs

Projected life insurance needs on the life of Carrie at age 44

Prepared for: **Pete Mitchell**

Prepared by:

This survivor capital needs analysis examines the financial implications of the death of your spouse at any given point in time. It offers a year-by-year analysis of changing needs as compared to changing resources. The projections take into account your changing lifestyle needs as they appear on the accompanying documents.

Survivor Income Needs

	<u>Your Allocation</u>	<u>Conservative</u>	<u>Moderate</u>	<u>Aggressive</u>
Total Needs	43,500	43,500	43,500	43,500
Average Rate of Return	7.72%	5.20%	7.50%	8.40%
■ Net Present Value of Income Deficiency	318,637	619,114	336,975	268,938

Survivor Lump-sum Needs

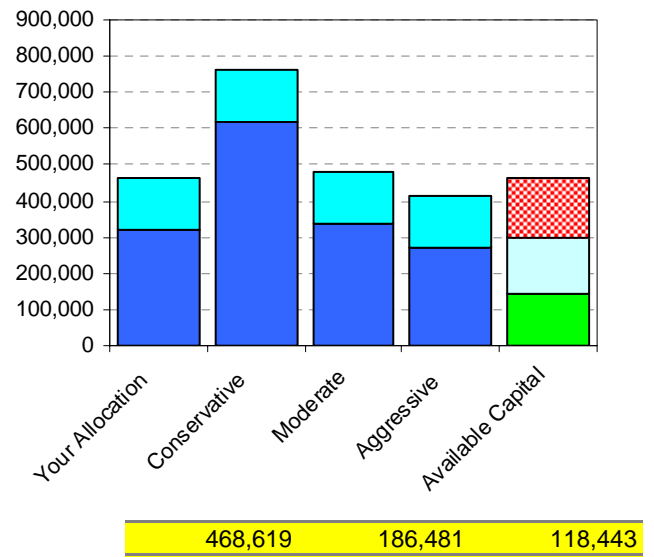
Final Expenses	25,000
Bequests	0
Debts and Taxes	120,000
■ Total Lump-sum Needs	145,000

Income Producing Assets

Non-registered	55,000
RRSP / RRIF	45,000
Locked-in and Pension Plans	45,495
Real Estate and Other Assets	0
■ Total Available Capital	145,495

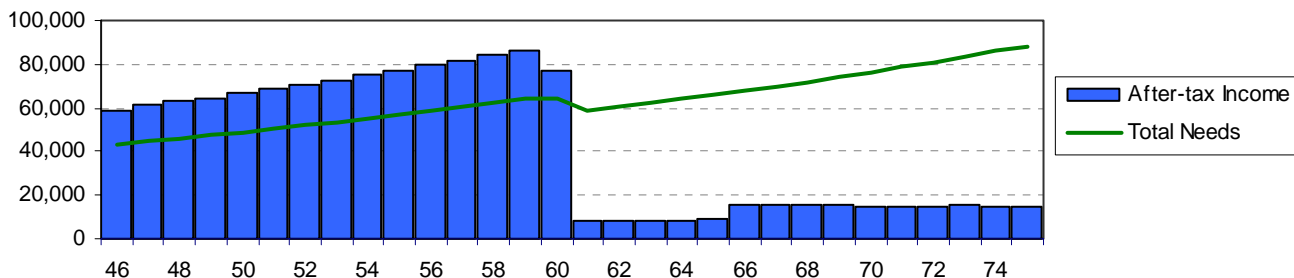
Life Insurance Benefits

Group / Debt Life Insurance	150,000
Individual Life Insurance	0
■ Total Life Insurance Benefits	150,000
■ Additional Life Insurance Required	168,142



The chart above examines your financial situation if your spouse were to predecease you. The additional life insurance that is required is calculated based on your current asset allocation as well as three sample asset allocations with varying degrees of risk.

The chart below illustrates your future projected after-tax income compared to your lifestyle needs. The difference between the total needs and your after-tax income can only be resolved with invested capital sufficient to produce the necessary after-tax income.



Survivor Capital Needs

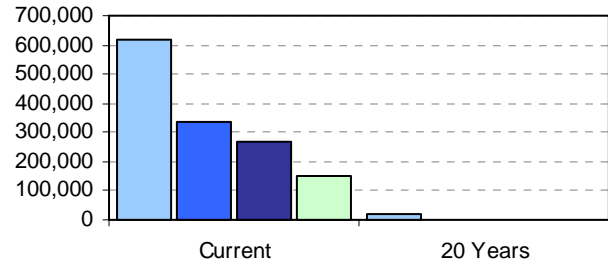
Projected life insurance needs on the life of Carrie

Prepared for: **Pete Mitchell**

Prepared by:

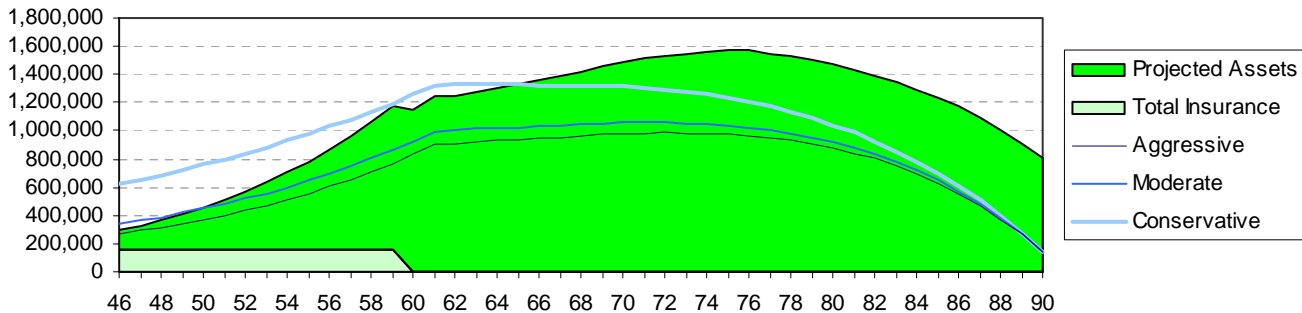
The amount of life insurance your spouse requires is based on the investment strategy and asset allocation you ultimately choose. This analysis calculates the life insurance needed using three different allocations each with varying degrees of risk. The more conservative the investment strategy, the greater the capital needed.

Total Life Insurance Needs	Current	20 Years
Conservative	618,619	18,137
Moderate	336,481	0
Aggressive	268,443	0
In-force Insurance	150,000	0



The chart above compares the projected life insurance required now and in the future, based on three sample allocations, to the amount of life insurance in force today and in the future.

The chart below compares your future projected assets to the assets required should your spouse die at all points in the future. Each crossover point, which is where a line representing the three sample allocations meets the projected assets, indicates a point in time where the capital available is expected to be sufficient to meet your needs. This assumes that the investment strategy indicated by the line is employed.



With any survivor needs analysis, if there is an indication that you may not be able to maintain your standard of living, there are generally only two courses of action you can take in the event your spouse predeceases you.

First you can choose to do nothing. This will force you to either accept a lower standard of living or to earn additional income in order to maintain the sort of lifestyle you enjoyed while your spouse was still alive.

Second, you can arrange for a lump sum of capital to be invested to generate the same level of income your spouse earned. The best way to provide this capital is with life insurance. Life insurance can also be used to ensure that the full value of accumulated assets are transferred to your intended heirs. The tax-free capital can be paid to either the estate to offset expenses and taxes, or directly to named beneficiaries avoiding probate fees.

Survivor Capital Needs

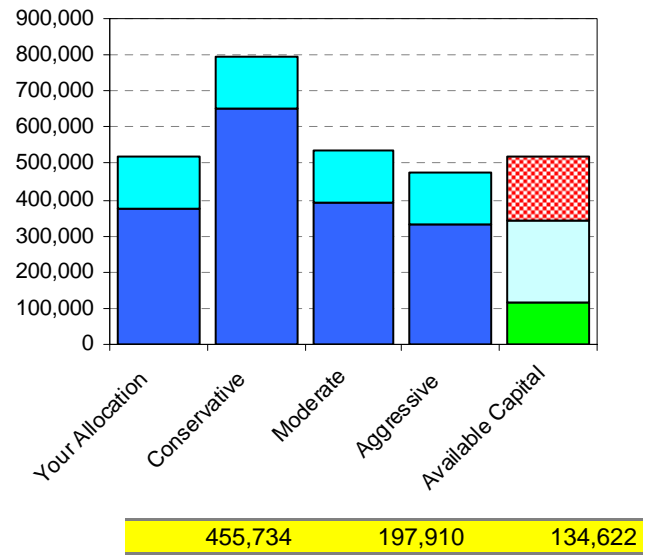
Projected life insurance needs on the life of Pete at age 46

Prepared for: **Carrie Mitchell**

Prepared by:

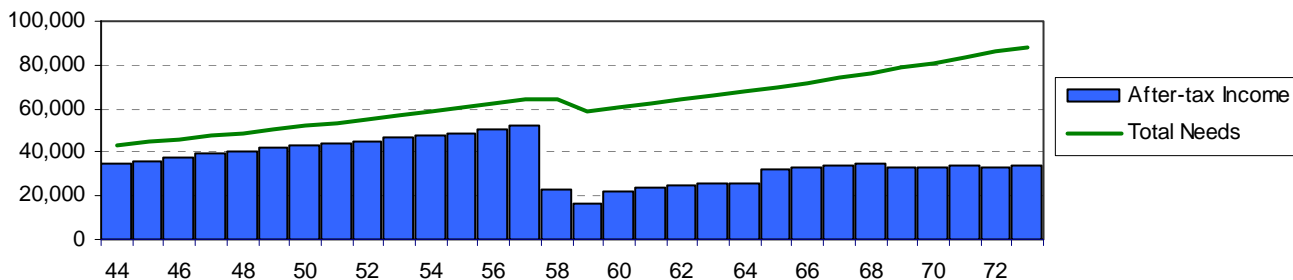
This survivor capital needs analysis examines the financial implications of the death of your spouse at any given point in time. It offers a year-by-year analysis of changing needs as compared to changing resources. The projections take into account your changing lifestyle needs as they appear on the accompanying documents.

Survivor Income Needs	<u>Your Allocation</u>	<u>Conservative</u>	<u>Moderate</u>	<u>Aggressive</u>
Total Needs	43,500	43,500	43,500	43,500
Average Rate of Return	7.72%	5.20%	7.50%	8.40%
■ Net Present Value of Income Deficiency	<u>375,927</u>	<u>650,734</u>	<u>392,910</u>	<u>329,622</u>
Survivor Lump-sum Needs				
Final Expenses	25,000			
Bequests	0			
Debts and Taxes	120,000			
■ Total Lump-sum Needs	<u>145,000</u>			
Income Producing Assets				
Non-registered	55,000			
RRSP / RRIF	45,000			
Locked-in and Pension Plans	15,000			
Real Estate and Other Assets	0			
■ Total Available Capital	<u>115,000</u>			
Life Insurance Benefits				
Group / Debt Life Insurance	225,000			
Individual Life Insurance	0			
■ Total Life Insurance Benefits	<u>225,000</u>			
■ Additional Life Insurance Required	<u>180,927</u>	<u>455,734</u>	<u>197,910</u>	<u>134,622</u>



The chart above examines your financial situation if your spouse were to predecease you. The additional life insurance that is required is calculated based on your current asset allocation as well as three sample asset allocations with varying degrees of risk.

The chart below illustrates your future projected after-tax income compared to your lifestyle needs. The difference between the total needs and your after-tax income can only be resolved with invested capital sufficient to produce the necessary after-tax income.



Survivor Capital Needs

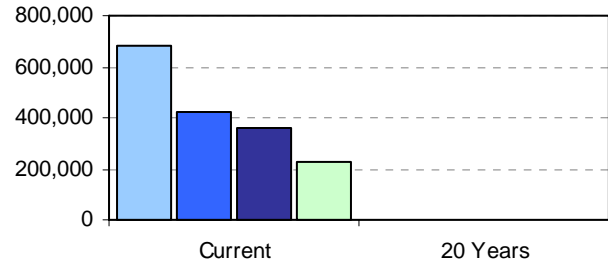
Projected life insurance needs on the life of Pete

Prepared for: **Carrie Mitchell**

Prepared by:

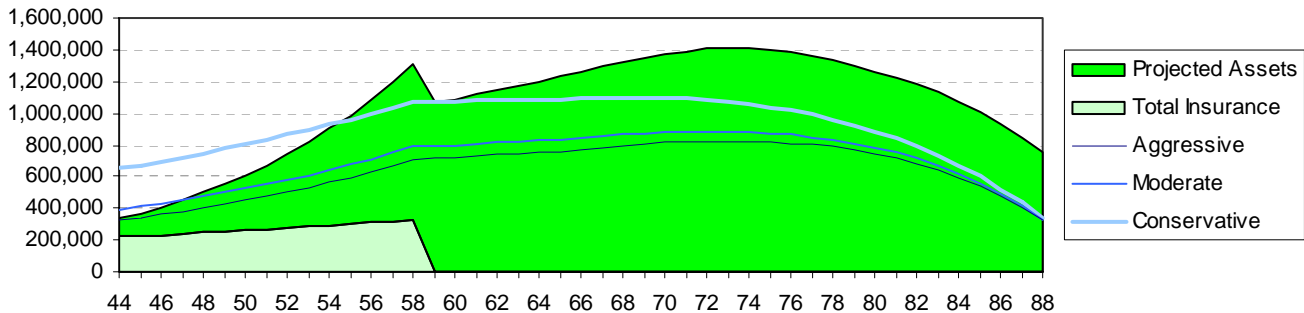
The amount of life insurance your spouse requires is based on the investment strategy and asset allocation you ultimately choose. This analysis calculates the life insurance needed using three different allocations each with varying degrees of risk. The more conservative the investment strategy, the greater the capital needed.

Total Life Insurance Needs	Current	20 Years
Conservative	680,734	0
Moderate	422,910	0
Aggressive	359,622	0
In-force Insurance	225,000	0



The chart above compares the projected life insurance required now and in the future, based on three sample allocations, to the amount of life insurance in force today and in the future.

The chart below compares your future projected assets to the assets required should your spouse die at all points in the future. Each crossover point, which is where a line representing the three sample allocations meets the projected assets, indicates a point in time where the capital available is expected to be sufficient to meet your needs. This assumes that the investment strategy indicated by the line is employed.



With any survivor needs analysis, if there is an indication that you may not be able to maintain your standard of living, there are generally only two courses of action you can take in the event your spouse predeceases you.

First you can choose to do nothing. This will force you to either accept a lower standard of living or to earn additional income in order to maintain the sort of lifestyle you enjoyed while your spouse was still alive.

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Estate Capital Needs

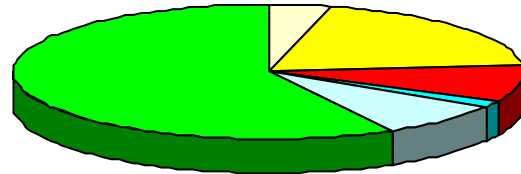
Projected erosion of total assets on second death

Prepared for: **Pete and Carrie Mitchell**

Prepared by:

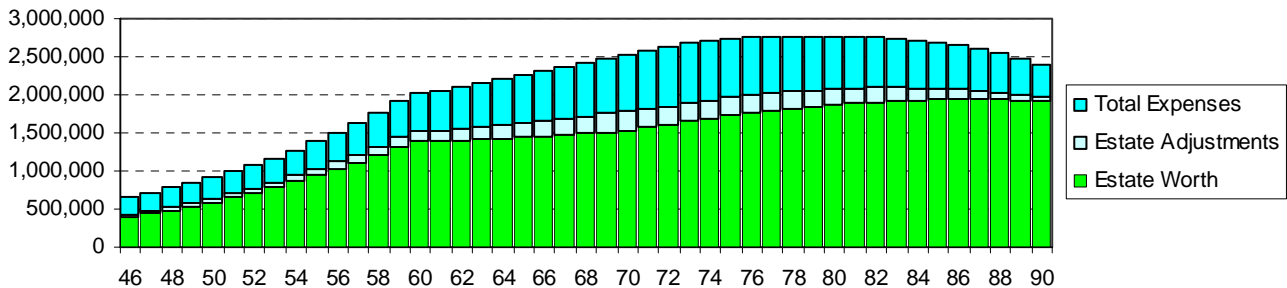
Total Assets

Estate Adjustments	24,576	4.02%
Debts	120,000	19.63%
Deferred Taxes	52,619	8.61%
Probate & Legal Fees	8,883	1.45%
Other Needs	50,000	8.18%
Estate Worth	355,127	58.10%



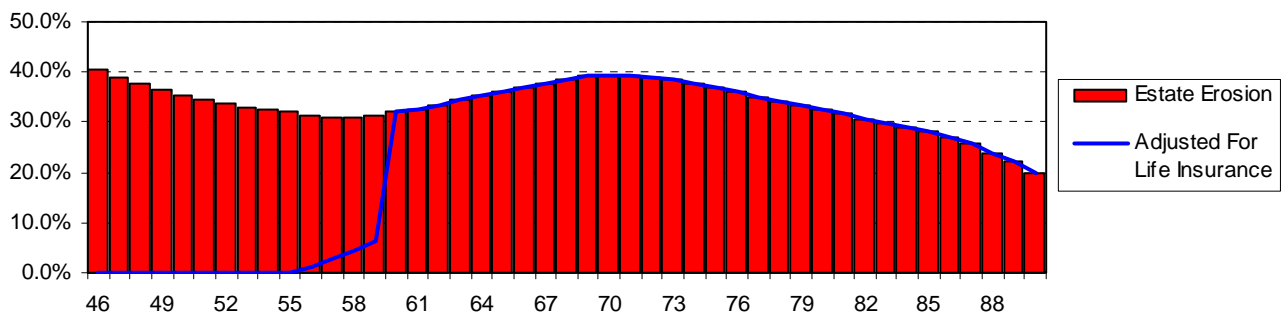
When assessing your estate capital needs many things must be taken into consideration. Debts, deferred taxes and probate fees are the main expenses associated with planning the disposition of your estate. Other considerations include final expenses such as funeral cost and the difference between the value you place on assets such as pensions and annuities while living and the amount that will be paid to your estate.

The chart above illustrates the percentage of your current total assets that will be payable to your heirs and the percentage that may be needed for other costs and expenses. The chart below projects the value of your estate, the portion of your assets payable to your heirs, and any expenses and adjustments.



Without proper planning, these expenses and adjustments may erode the value of your assets for your heirs. To help you appreciate how significant this cost can become, the chart below projects the future anticipated estate costs as a percentage of your total assets.

Although you cannot avoid ultimately paying the deferred taxes on assets such as RRSPs and capital property, there are a number of planning strategies that can be used to offset or reduce these and other costs, while still meeting your retirement and income goals.



Estate Capital Needs

Projected estate planning value of life insurance and estate liquidity

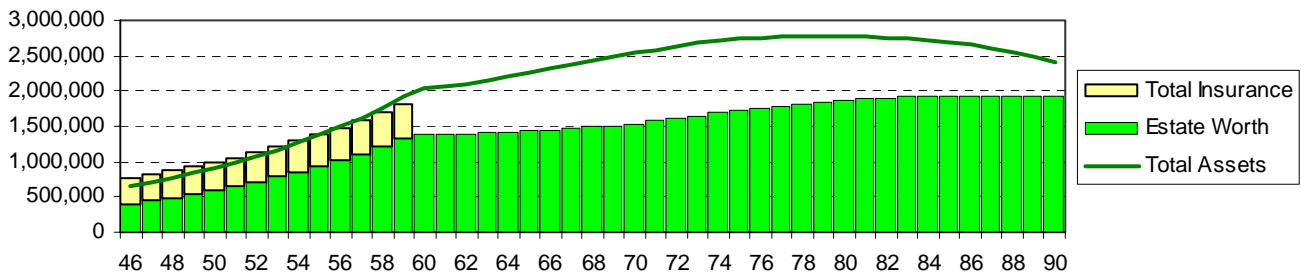
Prepared for: **Pete and Carrie Mitchell**

Prepared by:

Even though it may be possible to greatly reduce taxes and other expenses with planning, it is almost impossible to eliminate all the cost associated with disposing of your estate. For expenses that cannot be eliminated through planning, an effective solution is to offset the costs using life insurance.

The chart below compares your total assets with your estate worth and the value of any life insurance that will be payable. Ideally to fully transfer all of your assets to your heirs, the amount of life insurance should equal the expected estate erosion at a minimum.

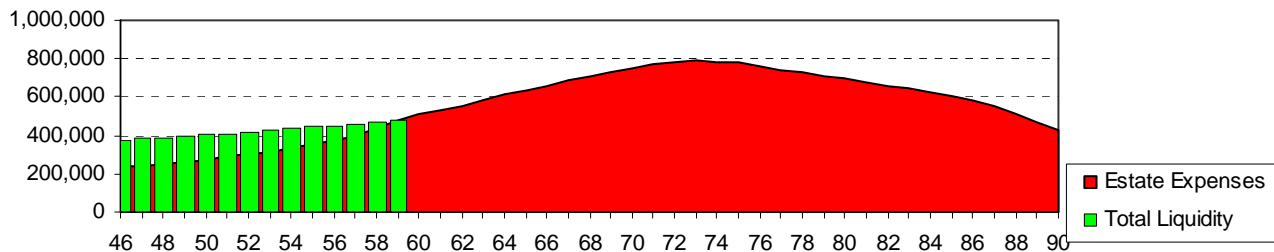
Life insurance originally purchased to provide income security to family members or joint policies that are specifically designed for these situations are an inexpensive and practical means of assisting you in meeting your estate planning goals.



It is also important to consider the liquidity of your various assets and whether your estate will require access to cash. Liquid assets are those assets that can be easily converted to cash at their full value in little or no time.

Real estate, business interest and securities are some of the assets that would normally not be considered liquid. Because tax is paid based on the fair market value (FMV) of assets immediately prior to death, any asset that can fluctuate in value could potentially take months to liquidate at an acceptable value.

The chart below projects your future estate expenses compared to the liquid assets available. Years where there are insufficient liquid assets to meet the projected expenses can add additional costs due to interest charges or further erode the value of assets due to a forced sale for less than full value.



Disability Capital Needs

Capital required assuming total disability for life starting at age 46

Prepared for: **Pete Mitchell**

Prepared by:

This disability capital needs analysis examines the financial implications a disability will have on your plans for the future. It offers a year-by-year analysis of your lifestyle and savings needs compared to your after-tax income. The projections take into account your changing need for income as they appear on the accompanying documents.

Initial Lump-sum Needs

Alternative Medical and Lodging	0
Capital Changes to Residence	0
Debt Elimination	113,085
Miscellaneous Needs	0
Total Lump-sum Needs	113,085

Cumulative Ongoing Needs

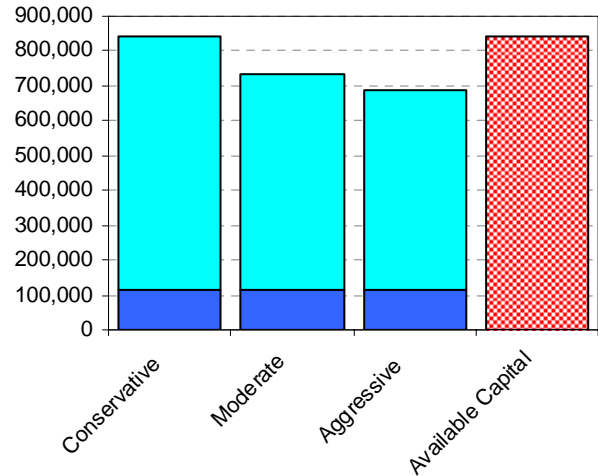
Lifestyle and Saving Deficiencies	1,025,384
Additional Income	0
Total Ongoing Needs	1,025,384

Available Capital

Liquidated Real Estate	0
Critical Illness Insurance Benefits	0
Total Available Capital	0

Required Capital

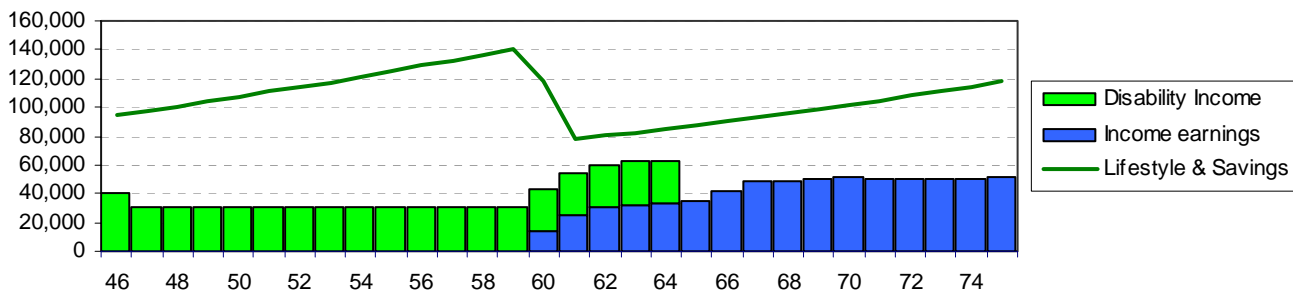
Total Lump-sum Needs	
Average Rate of Return	
Net Present Value of Ongoing Needs	
Total Available Capital	
Additional Capital Required	



	Conservative	Moderate	Aggressive
Total Lump-sum Needs	113,085	113,085	113,085
Average Rate of Return	5.20%	7.50%	8.40%
Net Present Value of Ongoing Needs	727,408	619,793	577,188
Total Available Capital	0	0	0
Additional Capital Required	840,493	732,878	690,273

The chart above examines your financial situation if you were to become disabled in the future. The initial lump-sum needs represent the amounts you may require in the event of a critical illness, while the cumulative ongoing needs represent the expected reduction to your after-tax income. The additional capital required is calculated based on three sample asset allocations with varying degrees of risk.

The chart below illustrates your future projected after-tax income compared to your lifestyle and saving needs. Any deficiencies prior to retirement indicate a need for additional planning.



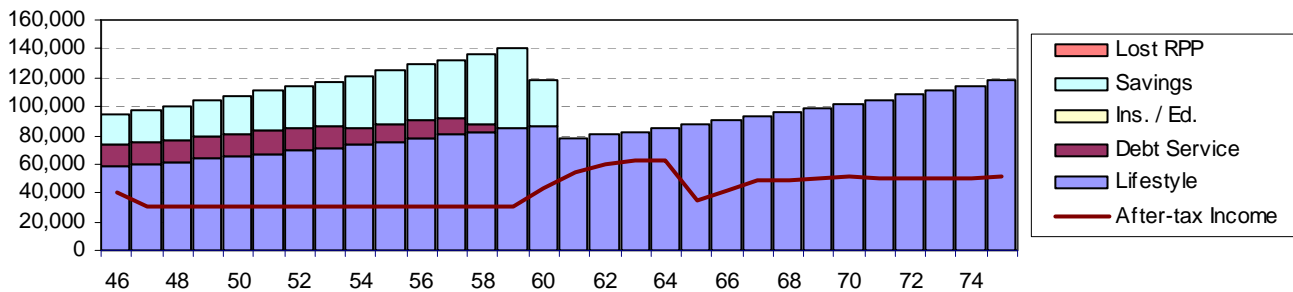
Disability Capital Needs

Financial impact assuming total disability for life starting at age 46

Prepared for: **Pete Mitchell**

Prepared by:

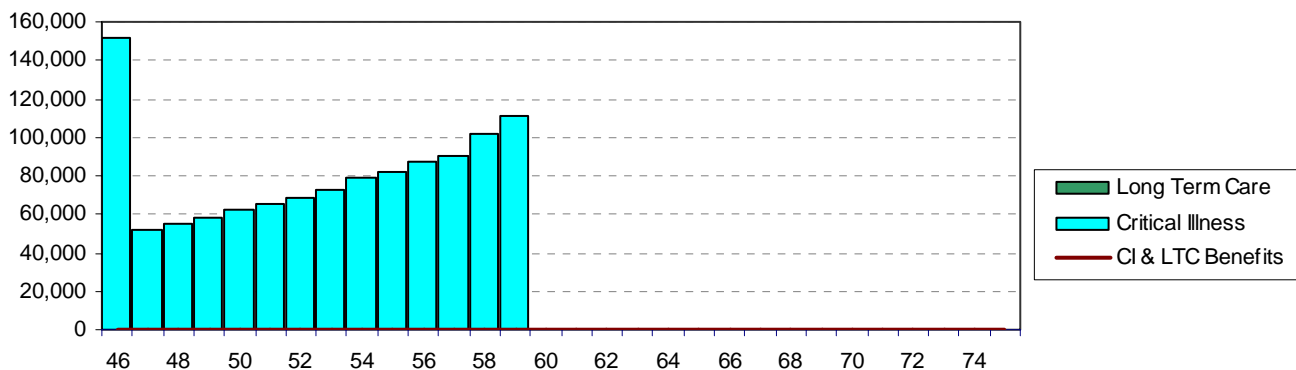
When developing a financial plan an assumption is made that your ability to earn income will continue for a specified period of time and a portion of that income will be used to meet lifestyle needs and a portion will be invested for the future. In the event of a disability however, assumptions around your income are no longer valid and the resulting changes can seriously affect your ability to maintain your plans. A reduction to your income for even a year or two can put off your planned retirement age for a number of years and/or force you to lower your income goals.



The graph above illustrates your lifestyle and saving needs based on your financial plans, compared to your projected after-tax income in the event of a disability. Ranked in order of necessity, any needs that exceed your projected income prior to retirement is an indication that your plans will have to change. Unfortunately, in many cases savings and investments suffer first when disability strikes. Even a relatively short period of inadequate savings can result in a significantly reduced level of retirement income. Disability insurance can help protect against lost income both in the present and in the future.

The following graph projects your need for capital in the event your disability is a result of a critical illness. It is estimated that 1 in 3 Canadians will contract a critical illness in their lifetime. One time expenses such as alternative medical treatment and temporary lodging, debt reduction and/or modifications to your home along with ongoing income needs can also seriously affect your financial plans for the future.

Also projected are any expenses related to long term care costs for health and personal care services as a result of your inability to care for yourself.



Non-registered Investments

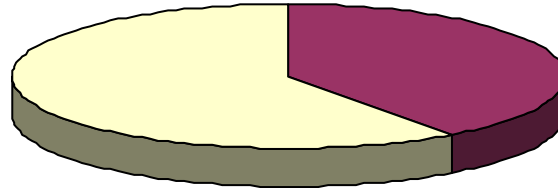
Projected investment values

Prepared for: **Pete Mitchell**

Prepared by:

Investment Allocation

Cash:	0	0.00%
Bond:	12,000	40.00%
Equity:	18,000	60.00%
Total:	30,000	

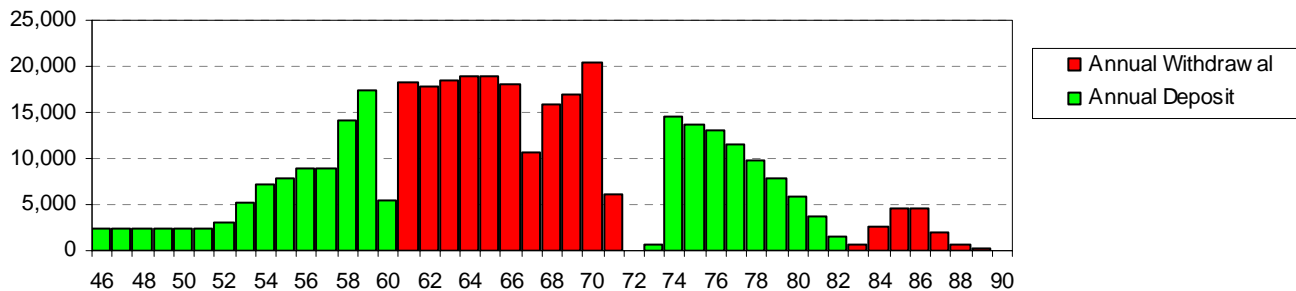


Diversification is an important element in any investment strategy, as it can help to reduce exposure to risk. A good investment plan should provide the best possible return for the degree of risk you are willing to assume. It must be kept in mind however, that there are different kinds of risk. Market risk or volatility is not the only kind of risk. There is also the risk of declining interest rates as well as the potential for erosion of purchasing power due to inflation. Your investment plan must also take into account tax considerations. Certain types of investment returns are fully taxed at an investor's top marginal rate, while other types of return feature significant tax advantages:

Interest is fully taxable each year at your top marginal rate.

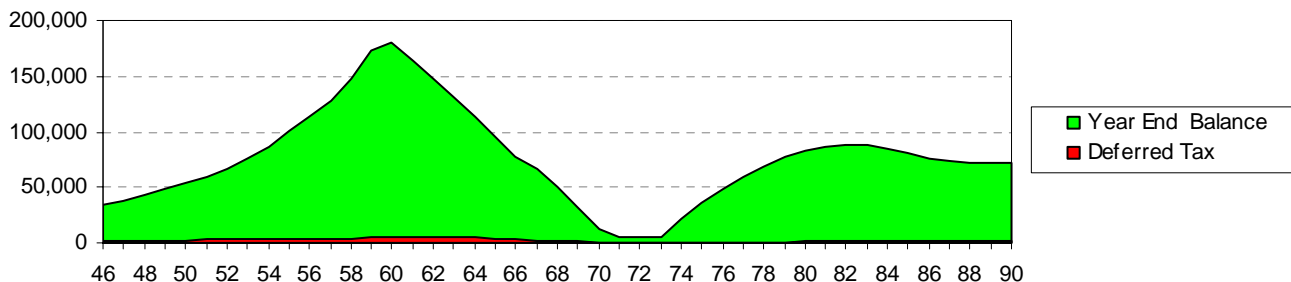
Dividends are taxable as received, but those from Canadian companies are eligible for preferred tax treatment through the Dividend Tax Credit.

Capital Gains are only 50% taxable when realized. In the case of mutual funds, a percentage of gains must usually be reported each year even if shares are not disposed of, due to investment turnover within the fund.



The key to maximizing the growth of your investment portfolios is to strike the right balance between using tax efficient investments to your advantage and maintaining the right asset allocation relevant to your risk profile, accumulation requirements, and life cycle. Your asset allocation needs will change over time, and periodic realignments of a portfolio can force taxable gains.

The following graph offers an overview of how your position is likely to develop in the future based on your present investment strategy, including your current asset mix and plans for saving and investing.



Non-registered Investments

Projected investment values

Prepared for: **Pete Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Annual Growth	Weighted Return	Allowance For Tax	Year End Balance	Deferred Tax
1	46	2,400	0	2,340	7.53%	735	34,005	1,570
2	47	2,400	0	2,650	7.55%	595	38,460	1,749
3	48	2,400	0	2,994	7.57%	661	43,192	1,956
4	49	2,400	0	3,359	7.59%	732	48,219	2,194
5	50	2,400	0	3,749	7.60%	809	53,559	2,462
6	51	2,400	0	4,163	7.62%	890	59,232	2,762
7	52	3,110	0	4,632	7.64%	982	65,992	3,099
8	53	5,110	0	5,235	7.65%	1,095	75,241	3,487
9	54	7,258	0	6,036	7.67%	1,241	87,294	3,949
10	55	7,789	0	6,993	7.68%	1,414	100,662	4,500
11	56	8,884	0	6,832	6.51%	3,269	113,109	3,445
12	57	9,002	0	7,653	6.53%	2,147	127,617	3,825
13	58	14,183	0	8,801	6.56%	2,430	148,171	4,287
14	59	17,455	0	10,292	6.58%	2,793	173,125	4,859
15	60	5,458	6,118	11,580	6.63%	3,113	180,932	5,514
16	61	0	23,806	10,779	6.66%	3,449	164,455	5,520
17	62	0	22,678	9,774	6.70%	3,215	148,335	5,407
18	63	0	22,827	8,694	6.73%	3,003	131,200	5,134
19	64	0	22,651	7,554	6.77%	2,764	113,338	4,716
20	65	0	21,950	6,386	6.80%	2,496	95,278	4,183
21	66	0	20,731	5,024	6.52%	2,829	76,742	2,969
22	67	0	13,086	4,299	6.55%	1,691	66,264	2,678
23	68	0	17,664	3,294	6.57%	1,628	50,266	2,104
24	69	0	18,074	2,186	6.57%	1,373	33,006	1,418
25	70	0	20,912	819	6.48%	1,158	11,754	497
26	71	0	6,288	366	6.44%	380	5,453	230
27	72	48	195	353	6.48%	107	5,552	240
28	73	593	205	379	6.52%	112	6,207	252
29	74	14,551	465	881	6.57%	225	20,949	314
30	75	13,763	947	1,830	6.61%	439	35,156	467
31	76	13,102	1,564	2,169	5.22%	939	47,923	338
32	77	11,496	2,002	2,805	5.27%	917	59,306	472
33	78	9,842	2,375	3,385	5.31%	1,094	69,064	636
34	79	7,934	2,675	3,882	5.36%	1,241	76,963	824
35	80	5,914	2,899	4,285	5.41%	1,356	82,907	1,031
36	81	3,760	3,045	4,586	5.46%	1,439	86,770	1,250
37	82	1,442	3,108	4,775	5.51%	1,486	88,393	1,473
38	83	0	3,824	4,828	5.56%	1,504	87,892	1,679
39	84	0	5,562	4,741	5.61%	1,506	85,566	1,835
40	85	0	7,325	4,544	5.66%	1,485	81,299	1,925

Non-registered Investments

Projected investment values

Prepared for: **Pete Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Annual Growth	Weighted Return	Allowance For Tax	Year End Balance	Deferred Tax
41	86	0	7,376	3,994	5.22%	2,028	75,889	1,379
42	87	0	4,634	3,861	5.26%	1,389	73,727	1,436
43	88	0	3,428	3,836	5.30%	1,348	72,787	1,515
44	89	0	2,910	3,842	5.34%	1,328	72,391	1,604
45	90	0	2,637	3,864	5.38%	1,317	72,302	1,700

Non-registered Investments

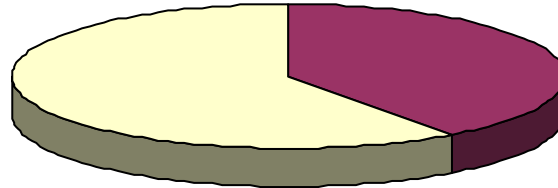
Projected investment values

Prepared for: **Carrie Mitchell**

Prepared by:

Investment Allocation

Cash:	0	0.00%
Bond:	10,000	40.00%
Equity:	15,000	60.00%
Total:	25,000	

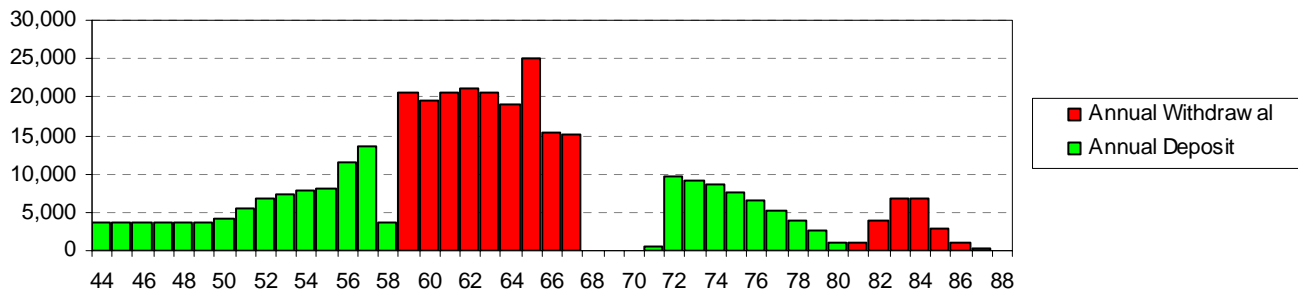


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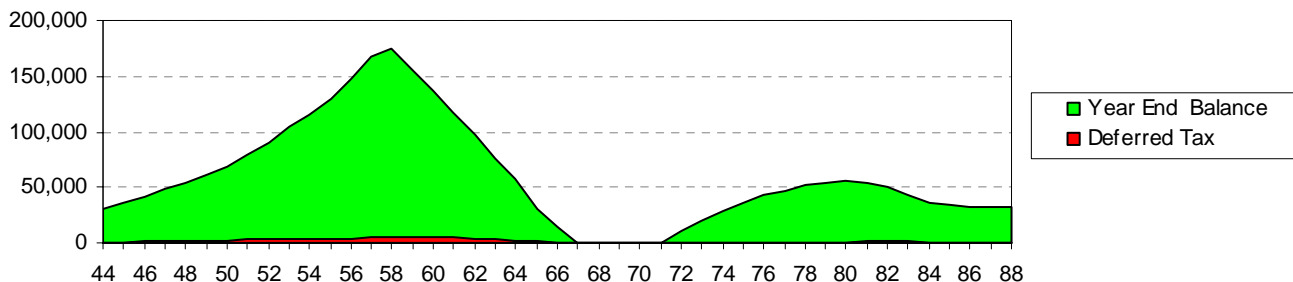
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The key to maximizing the growth of your investment portfolios is to strike the right balance between using tax efficient investments to your advantage and maintaining the right asset allocation relevant to your risk profile, accumulation requirements, and life cycle. Your asset allocation needs will change over time, and periodic realignments of a portfolio can force taxable gains.

The following graph offers an overview of how your position is likely to develop in the future based on your present investment strategy, including your current asset mix and plans for saving and investing.



Non-registered Investments

Projected investment values

Prepared for: **Carrie Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Annual Growth	Weighted Return	Allowance For Tax	Year End Balance	Deferred Tax
1	44	3,600	0	1,988	7.52%	374	30,215	561
2	45	3,600	0	2,385	7.54%	456	35,743	805
3	46	3,600	0	2,807	7.55%	544	41,607	1,081
4	47	3,600	0	3,257	7.57%	637	47,826	1,390
5	48	3,600	0	3,735	7.59%	737	54,424	1,734
6	49	3,600	0	4,244	7.60%	842	61,426	2,113
7	50	4,073	0	4,800	7.62%	956	69,343	2,531
8	51	5,407	0	5,456	7.63%	1,087	79,118	2,999
9	52	6,839	0	6,260	7.65%	1,243	90,974	3,533
10	53	7,193	0	7,191	7.67%	1,421	103,936	4,144
11	54	7,922	0	6,972	6.51%	3,217	115,614	3,191
12	55	8,001	0	7,743	6.53%	2,143	129,216	3,605
13	56	11,455	0	8,757	6.56%	2,398	147,031	4,085
14	57	13,637	0	10,021	6.58%	2,711	167,977	4,651
15	58	3,639	5,898	11,162	6.63%	2,998	173,881	5,285
16	59	0	25,811	10,157	6.66%	3,355	154,872	5,184
17	60	0	24,164	9,008	6.70%	3,077	136,639	4,964
18	61	0	24,426	7,769	6.73%	2,836	117,146	4,565
19	62	0	24,197	6,462	6.76%	2,561	96,850	4,009
20	63	0	23,175	5,141	6.78%	2,247	76,569	3,338
21	64	0	21,140	3,736	6.51%	2,340	56,826	2,192
22	65	0	26,127	2,068	6.50%	1,615	31,152	1,228
23	66	0	16,056	1,014	6.46%	940	15,169	603
24	67	0	15,169	0	0.00%	0	0	0
25	68	0	0	0	0.00%	0	0	0
26	69	0	0	0	0.00%	0	0	0
27	70	32	0	1	6.50%	0	32	0
28	71	395	7	13	6.54%	3	431	0
29	72	9,701	157	296	6.58%	68	10,203	0
30	73	9,175	484	926	6.63%	209	19,611	82
31	74	8,735	873	1,211	5.23%	429	28,253	108
32	75	7,664	1,172	1,647	5.28%	528	35,865	197
33	76	6,561	1,426	2,038	5.32%	648	42,390	305
34	77	5,289	1,632	2,375	5.37%	749	47,673	430
35	78	3,943	1,787	2,649	5.42%	828	51,650	567
36	79	2,507	1,889	2,855	5.47%	885	54,238	712
37	80	961	1,938	2,987	5.52%	920	55,329	860
38	81	0	3,018	2,991	5.57%	933	54,368	985
39	82	0	5,649	2,809	5.62%	927	50,601	1,039
40	83	0	8,316	2,457	5.66%	888	43,854	1,000

Non-registered Investments

Projected investment values

Prepared for: **Carrie Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Annual Growth	Weighted Return	Allowance For Tax	Year End Balance	Deferred Tax
41	84	0	8,135	1,930	5.21%	1,066	36,583	647
42	85	0	4,065	1,760	5.24%	669	33,608	637
43	86	0	2,290	1,706	5.28%	615	32,409	657
44	87	0	1,547	1,693	5.32%	592	31,963	691
45	88	0	1,167	1,702	5.37%	581	31,917	733

RRSP / RRIF

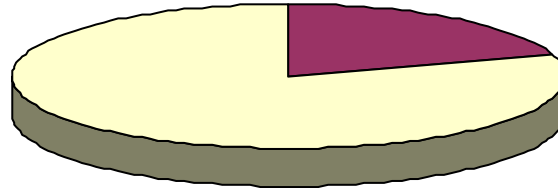
Projected investment values

Prepared for: **Pete Mitchell**

Prepared by:

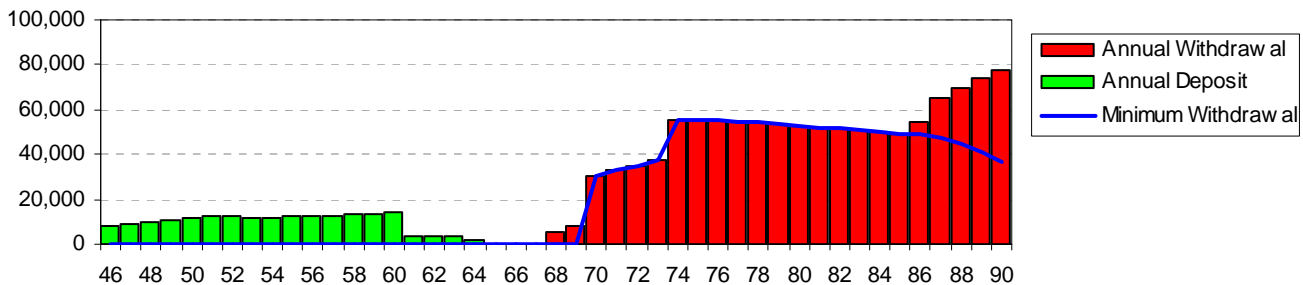
Investment Allocation

Cash:	0	0.00%
Bond:	4,000	20.00%
Equity:	16,000	80.00%
Total:	20,000	



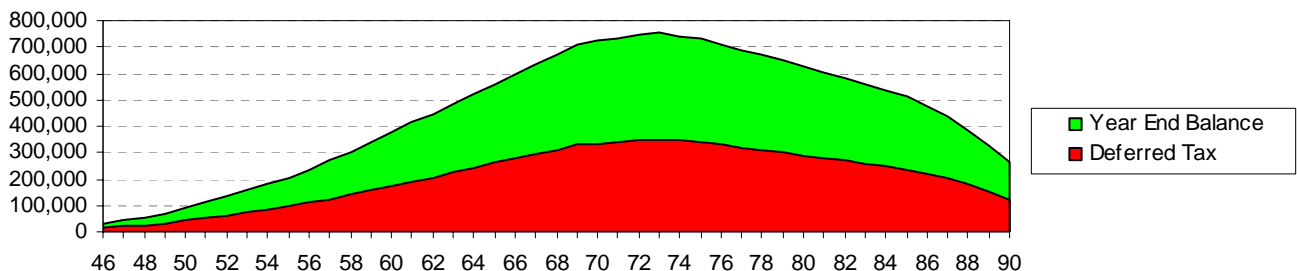
Registered Retirement Savings Plans (RRSPs) are one of the few (if not the last) tax shelters available to Canadians, and they should be used to the maximum extent possible. Not only do they offer an immediate tax deduction for amounts contributed into the plan, any money earned inside the plan is not taxed until it is withdrawn, presumable at retirement when one is in a lower tax bracket.

In order to maximize the value of your RRSPs you should contribute the maximum allowable each year and make each year's contribution as early in the year as possible. Ultimate accumulations also depend on how well you manage your portfolio of investments. A self-directed RRSP allows you to choose from a wide variety of investments and also take advantage of potentially lucrative foreign markets.



A RRIF offers the maximum flexibility in retirement income planning, as it allows you to maintain control over the investments held as well as the opportunity to control the level of income. You can start a RRIF at any age, but once started there is a minimum amount which must be taken into income each year. Your RRSPs must be matured no later than the year in which you turn 69, allowing you to delay the receipt of income until your age 70 if you wanted to.

Although this can sometimes be advantageous, you should remember that RRSPs were designed to produce income. They are not intended to be used as an estate planning tool. Tax eventually must be paid on all RRSPs, either during retirement as the funds are drawn for income, or ultimately in the estate. Although RRSPs may be rolled over to a spouse at death, when the surviving spouse dies all remaining balances become fully taxable as income in the year of death.



RRSP / RRIF

Projected investment values

Prepared for: **Pete Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Minimum Withdrawal	Annual Growth	Weighted Return	Year End Balance	Deferred Tax
1	46	7,958	0	0	2,209	7.90%	30,167	14,001
2	47	8,761	0	0	3,076	7.90%	42,004	19,494
3	48	9,675	0	0	4,083	7.90%	55,762	25,879
4	49	10,619	0	0	5,246	7.90%	71,626	33,242
5	50	11,537	0	0	6,572	7.90%	89,736	41,647
6	51	12,493	0	0	8,080	7.90%	110,309	51,194
7	52	12,479	0	0	9,706	7.90%	132,494	61,490
8	53	11,410	0	0	11,376	7.91%	155,280	72,065
9	54	11,747	0	0	13,205	7.91%	180,231	83,645
10	55	12,078	0	0	15,205	7.91%	207,515	96,308
11	56	12,431	0	0	16,496	7.50%	236,442	109,733
12	57	12,792	0	0	18,699	7.50%	267,934	124,348
13	58	13,185	0	0	21,099	7.51%	302,218	140,259
14	59	13,560	0	0	23,710	7.51%	339,488	157,556
15	60	13,924	0	0	26,545	7.51%	379,958	176,338
16	61	3,420	0	0	28,807	7.51%	412,185	191,295
17	62	3,348	0	0	31,235	7.52%	446,768	207,345
18	63	3,174	0	0	33,834	7.52%	483,776	224,520
19	64	1,492	0	0	36,504	7.52%	521,773	242,155
20	65	0	0	0	39,265	7.53%	561,038	260,378
21	66	0	0	0	36,467	6.50%	597,505	277,302
22	67	0	0	0	38,839	6.50%	636,345	295,327
23	68	0	4,968	0	41,043	6.50%	672,419	312,070
24	69	0	7,606	0	43,218	6.50%	708,031	328,597
25	70	0	30,784	30,784	44,028	6.50%	721,276	334,744
26	71	0	32,785	32,785	44,761	6.50%	733,251	340,302
27	72	0	34,917	34,917	45,403	6.50%	743,737	345,168
28	73	0	37,187	37,187	45,939	6.50%	752,489	349,230
29	74	0	55,534	55,534	45,317	6.50%	742,272	344,489
30	75	0	55,522	55,522	44,655	6.50%	731,406	339,445
31	76	0	55,514	55,514	35,146	5.20%	711,038	329,993
32	77	0	54,821	54,821	34,123	5.20%	690,341	320,387
33	78	0	54,192	54,192	33,080	5.20%	669,229	310,589
34	79	0	53,471	53,471	32,019	5.20%	647,777	300,633
35	80	0	52,794	52,794	30,939	5.20%	625,922	290,490
36	81	0	52,139	52,139	29,837	5.20%	603,619	280,140
37	82	0	51,489	51,489	28,711	5.20%	580,841	269,568
38	83	0	50,824	50,824	27,561	5.20%	557,579	258,772
39	84	0	50,126	50,126	26,388	5.20%	533,840	247,755
40	85	0	49,487	49,487	25,186	5.20%	509,539	236,477

RRSP / RRIF

Projected investment values

Prepared for: **Pete Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Minimum Withdrawal	Annual Growth	Weighted Return	Year End Balance	Deferred Tax
41	86	0	54,697	48,814	23,652	5.20%	478,494	222,069
42	87	0	64,858	47,514	21,509	5.20%	435,145	201,951
43	88	0	70,086	44,951	18,983	5.20%	384,042	178,234
44	89	0	74,075	41,438	16,118	5.20%	326,086	151,336
45	90	0	77,689	36,946	12,917	5.20%	261,313	121,275

RRSP / RRIF

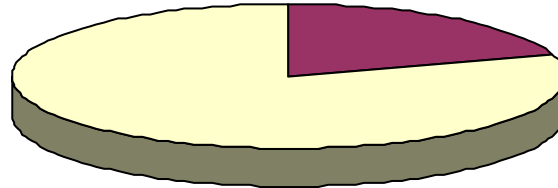
Projected investment values

Prepared for: **Carrie Mitchell**

Prepared by:

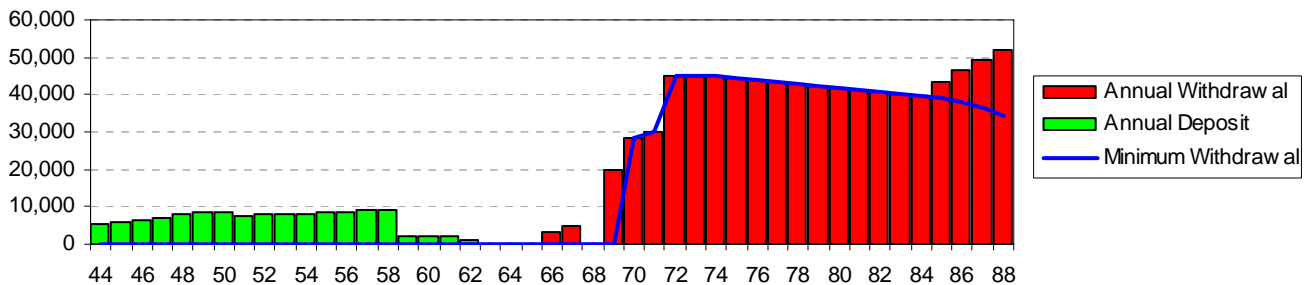
Investment Allocation

Cash:	0	0.00%
Bond:	5,000	20.00%
Equity:	20,000	80.00%
Total:	25,000	



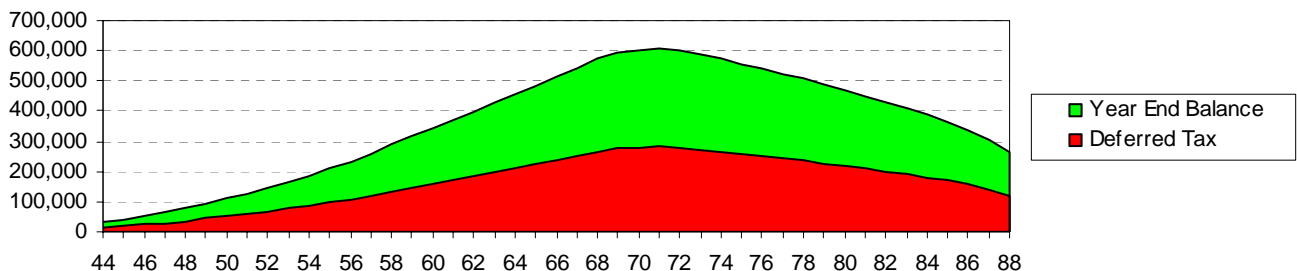
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RRSP / RRIF

Projected investment values

Prepared for: **Carrie Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Minimum Withdrawal	Annual Growth	Weighted Return	Year End Balance	Deferred Tax
1	44	5,389	0	0	2,401	7.90%	32,790	15,218
2	45	5,924	0	0	3,059	7.90%	41,773	19,387
3	46	6,543	0	0	3,818	7.90%	52,133	24,195
4	47	7,188	0	0	4,688	7.90%	64,009	29,707
5	48	7,808	0	0	5,676	7.90%	77,493	35,965
6	49	8,441	0	0	6,792	7.90%	92,726	43,034
7	50	8,378	0	0	7,992	7.90%	109,096	50,631
8	51	7,572	0	0	9,223	7.91%	125,891	58,426
9	52	7,787	0	0	10,569	7.91%	144,246	66,944
10	53	8,023	0	0	12,040	7.91%	164,308	76,256
11	54	8,256	0	0	12,942	7.50%	185,506	86,093
12	55	8,497	0	0	14,556	7.50%	208,558	96,792
13	56	8,725	0	0	16,308	7.51%	233,592	108,410
14	57	8,988	0	0	18,214	7.51%	260,794	121,034
15	58	9,283	0	0	20,286	7.51%	290,363	134,757
16	59	2,280	0	0	21,989	7.51%	314,632	146,021
17	60	2,232	0	0	23,818	7.52%	340,682	158,111
18	61	2,116	0	0	25,777	7.52%	368,575	171,056
19	62	995	0	0	27,801	7.52%	397,371	184,420
20	63	0	0	0	29,904	7.53%	427,275	198,298
21	64	0	0	0	27,773	6.50%	455,048	211,188
22	65	0	0	0	29,579	6.50%	484,627	224,915
23	66	0	3,312	0	31,288	6.50%	512,603	237,899
24	67	0	5,070	0	32,994	6.50%	540,526	250,858
25	68	0	0	0	35,140	6.50%	575,666	267,166
26	69	0	19,936	0	36,130	6.50%	591,860	274,682
27	70	0	28,184	28,184	36,648	6.50%	600,324	278,610
28	71	0	30,016	30,016	37,081	6.50%	607,388	281,889
29	72	0	44,825	44,825	36,578	6.50%	599,141	278,061
30	73	0	44,816	44,816	36,044	6.50%	590,370	273,991
31	74	0	44,809	44,809	28,369	5.20%	573,930	266,361
32	75	0	44,250	44,250	27,543	5.20%	557,223	258,607
33	76	0	43,742	43,742	26,701	5.20%	540,182	250,699
34	77	0	43,161	43,161	25,845	5.20%	522,867	242,662
35	78	0	42,614	42,614	24,973	5.20%	505,226	234,476
36	79	0	42,085	42,085	24,083	5.20%	487,224	226,121
37	80	0	41,560	41,560	23,175	5.20%	468,839	217,588
38	81	0	41,023	41,023	22,246	5.20%	450,062	208,874
39	82	0	40,461	40,461	21,299	5.20%	430,900	199,981
40	83	0	39,944	39,944	20,330	5.20%	411,286	190,878

RRSP / RRIF

Projected investment values

Prepared for: **Carrie Mitchell**

Prepared by:

Year	Age	Annual Deposit	Annual Withdrawal	Minimum Withdrawal	Annual Growth	Weighted Return	Year End Balance	Deferred Tax
41	84	0	39,401	39,401	19,338	5.20%	391,222	181,566
42	85	0	43,239	38,848	18,095	5.20%	366,079	169,897
43	86	0	46,724	37,816	16,606	5.20%	335,961	155,920
44	87	0	49,383	36,250	14,902	5.20%	301,480	139,917
45	88	0	51,793	34,158	12,984	5.20%	262,671	121,906