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Financial Needs Summary

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February 27, 2009

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personalized for your clients.

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This financial plan 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 projections 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 Plan

The assumptions used in this financial plan are based on information provided and reviewed by you. Please review all assumptions in the Appendix - Plan Data Summary section before reviewing the rest of the report to ensure the accuracy and reasonableness of the assumptions. 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 financial plan. Any inaccurate representation by you of any facts or assumptions used in this financial plan 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 financial plan, 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 plan 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 financial plan 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 financial plan. Historical data is used to produce future assumptions used in the financial plan, 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 current as of January 1, 2009. You are responsible for confirming that the answers you provided to determine your individual risk tolerance used in this financial plan are accurately represented. The proposed asset allocation presented in this plan is based on your answers to a risk tolerance questionnaire and may represent a more aggressive and therefore more risky investment strategy than your current allocation mix. Actual return rates and performance may vary to a significant degree from that represented in this plan.

Investments Considered

This plan does not consider the selection of individual securities; the plan 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 plan 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. Refer to the Asset Allocation section of this report for details on return rate assumptions used throughout this plan.

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

Introduction

Explain the five-step financial planning process used to arrive at this proposal.

What is Financial Planning?

Financial planning can be a life-long process that assists you and your family in taking control of your financial future. By setting financial goals, developing and implementing financial strategies, and monitoring progress on a regular basis, the likelihood of achieving your results is greatly increased.

There are usually five steps in the preparation of a professional financial plan:

1. An Opening Interview to assess your current financial situation and to identify your priorities and concerns.
2. Gathering information to develop a Profile of your current situation, including a review of your financial information and relevant documents. We will analyze this data to be certain we understand your unique situation and how to address it.
3. Presenting the planning analysis during a strategy session allowing you to understand where you are in relation to where you want to be in the future.
4. Using the plan as a blueprint, develop an Implementation schedule and identify specific products and services to help you reach your goals.
5. The last step in the process is the Periodic Review of your financial situation. At a minimum, we recommend you assess the need for any changes annually. Even the best financial plan must be monitored on a regular basis to make sure you are continuing in the right direction.

Why develop a financial plan?

Most people find that managing their finances is a challenge. We face many opportunities, obstacles, and hazards along the way. We struggle with anxiety relating to our personal financial circumstances. Further, many families are too busy dealing with the challenges of day-to-day life to think about next month; let alone retirement, which may be twenty years or more into the future.

Reaffirm important reasons to have a financial plan; an advisor adds value to the process.

By developing a financial plan, you and your family:

- Will have a better understanding of your current financial situation.
- Determine attainable retirement, education, insurance, and other financial goals.
- Review goals, funding strategies, and alternatives where goals have to be compromised.
- Have the necessary financial resources set aside to fund your goals as they occur.
- Reduce the effect of unexpected events, such as disability, premature death, etc.

Net Worth

This net worth summary provides a snap shot showing a financial situation at a certain point in time. It includes what you own (assets), what you owe to creditors (liabilities), and the net value or difference between the two (net worth). In simple terms, the net worth statement shows how much money would be left if everything you owned was converted into cash and used to pay off your debts (before taxes).

The following information is a description of items likely to appear in the report below. Your report may contain some or all of the items listed:

- *Lifestyle* assets include your home, vacation homes and collectibles.
- *Non-Registered* assets include stocks, bonds, mutual funds and cash.
- *Registered* assets include TFSAs, as well as your registered and locked-in retirement plans, such as RRSPs, RRIFs, LIFs and LRIFs.
- *Liabilities* include your mortgages, loans, personal lines of credits and credit cards.
- *Cash Flow Surplus* is the amount of surplus funds from your cash flow statement. In other words, income you did not spend which may be representative of your checking account, for instance.

Net Worth Summary

As of January 1, 2009

Review totals to ensure all assets have been captured.

	Stuart	Kate	Joint	Total
Non-Registered Investments				
Investment Portfolios	75,000		70,000	145,000
Registered Investments				
RRSPs / Spousal RRSPs	100,000	122,000		222,000
TFSA	2,000	2,000		4,000
LIFs / LIRAs / LRIFs	10,000			10,000
RPP - money purchase	100,000			100,000
RESPs	8,000			8,000
Lifestyle Assets (residences, etc.)			335,000	335,000
Life Insurance Cash Value				
Liabilities			(160,000)	(160,000)
Total Net Worth	295,000	124,000	245,000	664,000

Use a snapshot of current net worth as a benchmark to highlight net worth changes over time.

Cash Flow

Ensure incomes and expenses are accurately captured.

The cash flow report below outlines your current sources of income and expenses. Your income includes employment income, investment income and any other sources. Your expenses include your daily living expenses, debt payments including your mortgage, current investment contributions and insurance premiums.

Current Surplus/(Deficit) displays any excess cash available or shortfall at the end of the current year once all expenses have been covered and investments made. *Ending Surplus/(Deficit)* displays the final surplus or deficit at the end of the current year after adjustments to or from other family members. The family's ending surplus or deficit is the sum of the individual family member's ending surpluses or deficits.

A surplus can represent an opportunity to invest more. A deficit may indicate a problem requiring further investigation.

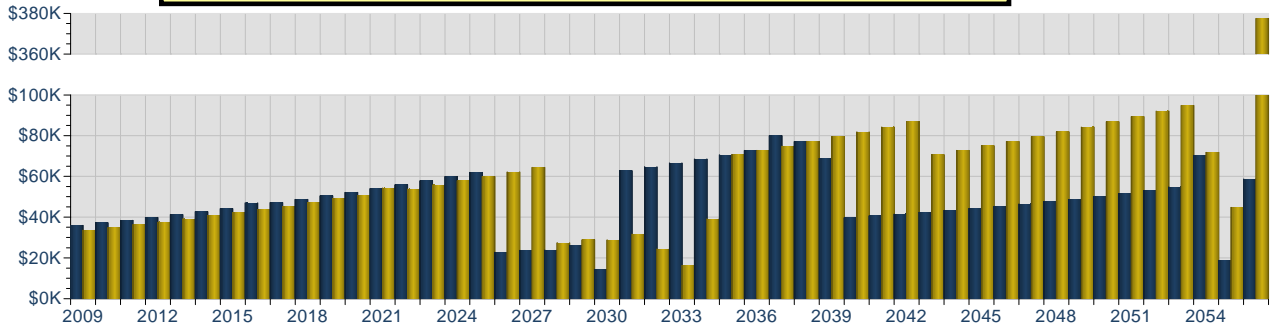
	Stuart	Kate	Family
Cash Inflows			
Employment Inflows	\$70,000	\$70,000	\$140,000
Investment Inflows	\$4,732	\$1,594	\$6,326
Total Cash Inflows	\$74,732	\$71,594	\$146,326
Cash Outflows			
Lifestyle Expenses	\$29,400	\$29,400	\$58,800
Taxes	\$18,753	\$17,316	\$36,069
Employment/Business Expenses	\$732	\$732	\$1,464
Miscellaneous Expenses	\$1,740	\$1,440	\$3,180
Non-Registered Contributions and Reinvestments	\$6,315	\$4,157	\$10,472
Registered Contributions	\$7,519	\$6,919	\$14,437
Total Cash Outflows	\$64,459	\$59,963	\$124,422
Current Surplus/(Deficit)			21,904
Ending Surplus/(Deficit)			21,904

Does the current surplus/deficit look reasonably close to what is actually left at the end of the day?

Income Tax

The following graph compares the total tax between your current plan and your proposed plan. Total tax represents all income tax payable on taxable income from all sources during the current year.

Taxes projected in the proposed plan are higher in retirement due to higher asset values resulting from increased returns and savings



■ Current: Total Income Taxes ■ Proposed: Total Income Taxes

	Current Plan	Proposed Plan
Taxes paid in current year	\$36,069	\$33,682
Taxes paid in first year of retirement (year)	\$22,882(2026)	\$27,444(2028)

Consider the following:

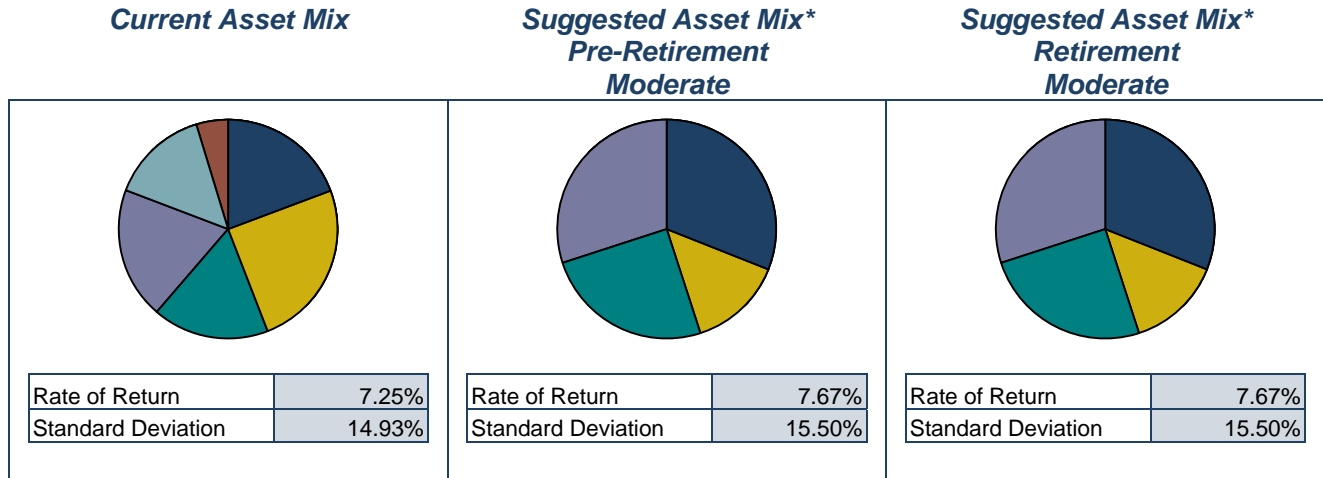
- Use registered plans such as RRSPs and employer superannuation plans to defer taxes.
- Consider non-registered investments that generate tax-preferred returns from dividends or capital gains.
- Charitable contributions, debt structure and asset transfers (college fund to children, for example) can also affect your income tax payable.
- Contributions to TFSAs are not tax deductible, but the resulting income generated by them (in the form of investment income or capital gains for example), are tax free, including funds withdrawn from the TFSA.

We should discuss which, if any, of these strategies would be most appropriate for your situation.

Asset Allocation

These pie graphs illustrate your current asset mix and suggested asset mix for your entire portfolio.

However, the suggested asset mix will not be used in the proposed plan. Due to modifications the assumed asset mix (for pre-retirement and retirement) on the following page will be used instead.



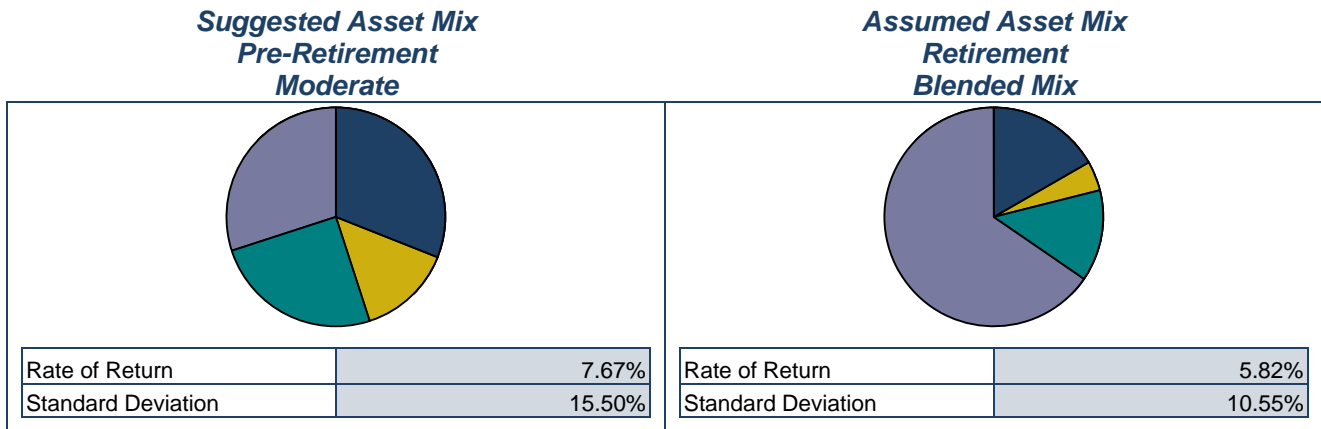
*Modifications have been made to the suggested asset mix.

Asset Class	Current Asset Mix		Suggested Asset Mix Pre-Retirement		Suggested Asset Mix Retirement
	(%)	(\$)	(%)	(\$)	(%)
Large Cap Equity	19.3	93,250	31.0	150,040	16.7
Small Cap Equity	24.8	120,150	14.0	67,760	4.4
International Equity	17.2	83,300	25.0	121,000	13.5
High-yield Bonds	19.5	94,400	30.0	145,200	65.4
Intermediate Bonds	14.5	69,950			
Cash	4.7	22,950			
Total	100.0	484,000	100.0	484,000	100.0

Modifications required to the current portfolio to arrive at the asset mix in the suggested portfolio.

Assumed Asset Mix for Entire Portfolio

These pie graphs illustrate the Suggested asset mix for pre-retirement and the Assumed asset mix for retirement for your entire portfolio and will be used for the proposed plan.



The table below provides a breakdown of the percentages and dollar values for each asset class in the current and assumed portfolio. The *Change* column indicates the rebalancing required to reach the assumed asset mix.

Asset Class	Current Asset Mix		Change		Suggested Asset Mix Pre-Retirement		Assumed Asset Mix Retirement
	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Large Cap Equity	19.3	93,250	+11.7	+56,790	31.0	150,040	16.6
Small Cap Equity	24.8	120,150	-10.8	-52,390	14.0	67,760	4.4
International Equity	17.2	83,300	+7.8	+37,700	25.0	121,000	13.4
High-yield Bonds	19.5	94,400	+10.5	+50,800	30.0	145,200	65.6
Intermediate Bonds	14.5	69,950	-14.5	-69,950			
Cash	4.7	22,950	-4.7	-22,950			
Total	100.0	484,000	+0.0	+0	100.0	484,000	100.0

Modifications required to the suggested asset mix to arrive at the assumed asset mix that is recommended in the proposed plan (suggested asset mix has been overridden).

Consider the following:

- Consider the income tax implications of selling non-registered investments such as stocks that have grown significantly. You may wish to reallocate this type of asset over time.
- Direct future investment contributions to the appropriate asset allocation.
- Rebalance your portfolio on a regular basis. Some investments grow at a faster rate than others causing an imbalance in your portfolio.
- Consider the timing of each objective. For example, volatile equity (stock) investments are not usually suitable for goals that are short-term in nature (less than five years).

Retirement Scenario Summary

Compare the *Current Plan* with up to three alternatives.

The following information provides an overview of the selected retirement scenarios and their estimated effect on the Retirement goal. The following graph illustrates the ability of each scenario to achieve the Retirement goal.

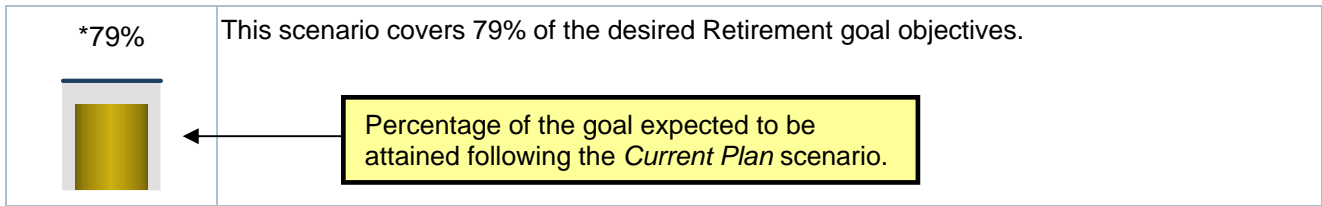
Scenario Coverage



	Goal Coverage*	Net Worth at Retirement	Net Worth at Death	Year Capital Exhausted	% Fixed Needs Covered by Total Resources	% Total Needs Covered by Total Resources
Current Plan	79%	\$2,412,133	(\$610,046)	Never	89%	77%
Suggested Asset Mix	87%	\$2,529,998	(\$63,843)	Never	96%	84%
Retire later	100%	\$2,893,292	\$2,004,826	Never	100%	100%
Retire Later with Mod. Conservative Portfolio & Savings	100%	\$3,405,358	\$1,700,092	Never	100%	100%

* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Retirement - Current Plan



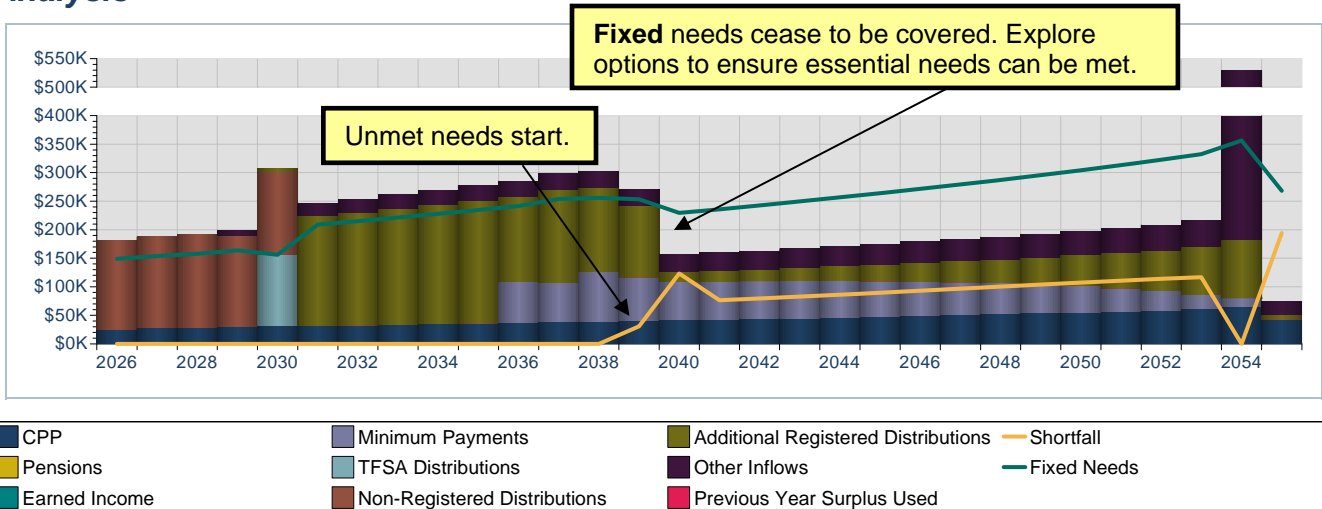
* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

	Stuart	Kate
Retirement Age/Year	62 / 2026	60 / 2026
Life Expectancy	90 / 2054	90 / 2056
Desired Fixed Expenses Covered		100%
Desired Discretionary Expenses Covered		100%
Annual Inflation Rate		3.00%
Rate of Return pre retirement		7.23%
Rate of Return retirement		7.32%
Current Monthly Savings		
Non-Registered		\$425
RRSP	\$0	\$300
RRSP Spousal	\$0	\$0
TFSA	\$100	\$100

Analysis

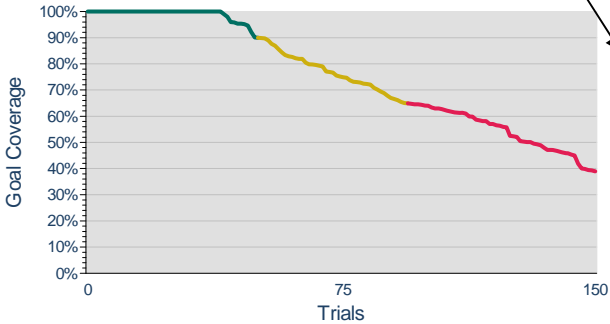


A scenario probability analysis performed on any scenario can indicate how successful a plan might be when market performance deviates from the assumptions made in the plan. It is a “stress test” for a scenario.

Probability Analysis

The graph below illustrates the goal coverage percentage for each trial that was generated. The results are generated by varying the return rates on available assets and by determining if the available resources are adequate to cover the need. The *Goal Coverage* percentage equals *the ability to cover total needs* divided by *the total needs*, where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.

Percentage of the goal covered using available resources.



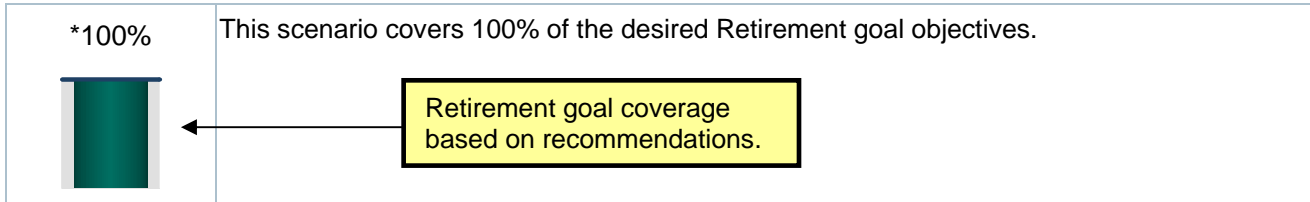
For this probability analysis, 150 trials were run. The results are as follows:

- In 50 trials 90% or more of the goal was covered
- In 44 trials 65% or more, but less than 90%, of the goal was covered
- In 56 trials less than 65% of the goal was covered

The earliest age at which you could not cover your fixed expenses is 64/62

— 90% or more of the goal was covered — 65% or more, but less than 90%, of the goal was covered — Less than 65% of the goal was covered

Retirement - Retire Later with Mod. Conservative Portfolio & Savings (Recommended)



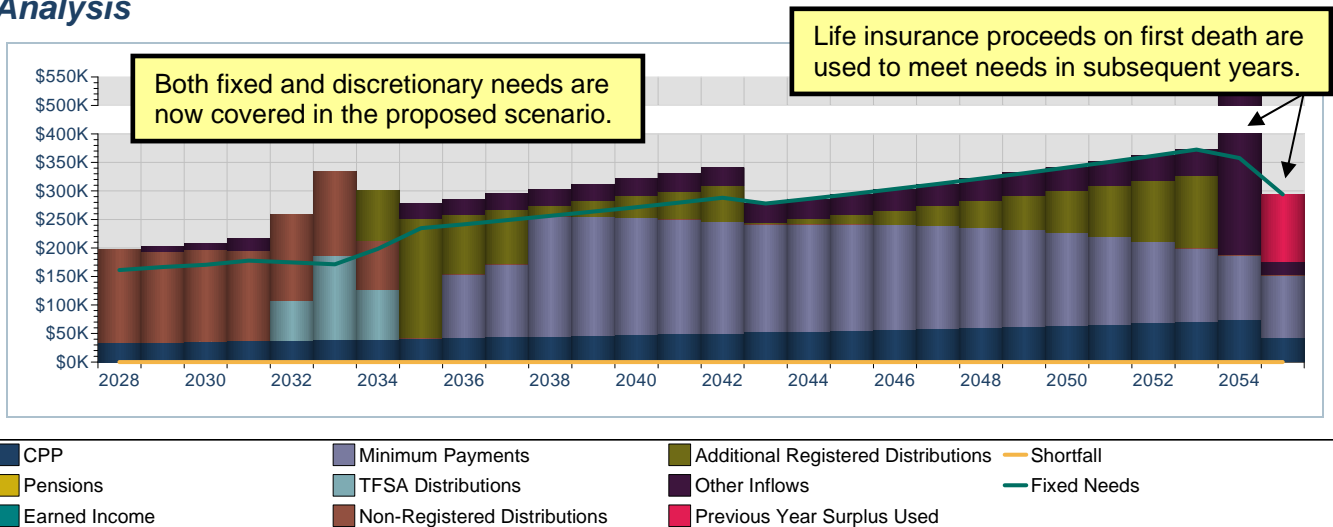
* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

	Stuart	Kate
Retirement Age/Year	64 / 2028	62 / 2028
Life Expectancy	90 / 2054	90 / 2056
Desired Fixed Expenses Covered		100%
Desired Discretionary Expenses Covered		100%
Additional Lump-Sum Savings		\$500
Annual Inflation Rate		3.00%
Rate of Return pre retirement		7.67%
Rate of Return retirement		5.73%
Current Monthly Savings		
Non-Registered		\$425
RRSP	\$0	\$300
RRSP Spousal	\$0	\$0
TFSA	\$100	\$100
Additional Monthly Savings (indexed at 0.00% starting January 1, 2009)		
Non-Registered		\$0
RRSP	\$250	\$250
RRSP Spousal	\$160	\$160
TFSA	\$100	\$100

Analysis



Emily's Education Goal

You have indicated you wish to establish an investment plan to fund the following education goal:

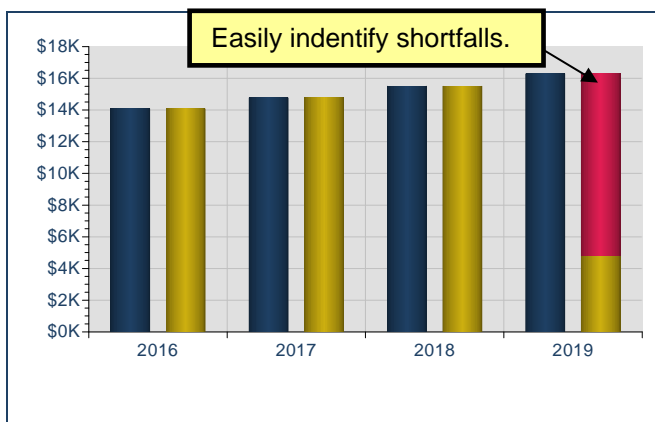
Description	Member	Current Age	Education Starts at	Estimated Costs/yr	Years Of Education	Index Rate	Est. Actual Cost
Emily's Education Goal	Emily	11	18	\$10,000	4	5.00%	\$60,648

*The index rate refers to the inflation rate of the individual education goals.

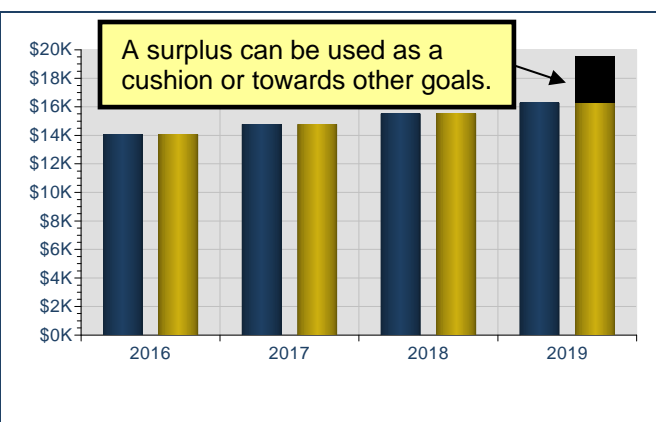
The graphs below illustrate your education scenarios. The graph on the left displays your current education needs vs. abilities, without additional savings and a rate of return of **7.10%**. The graph on the right displays your proposed education needs vs. abilities, and a rate of return of **7.67%**.

Education Needs Vs. Abilities

Current Plan



Proposed Plan



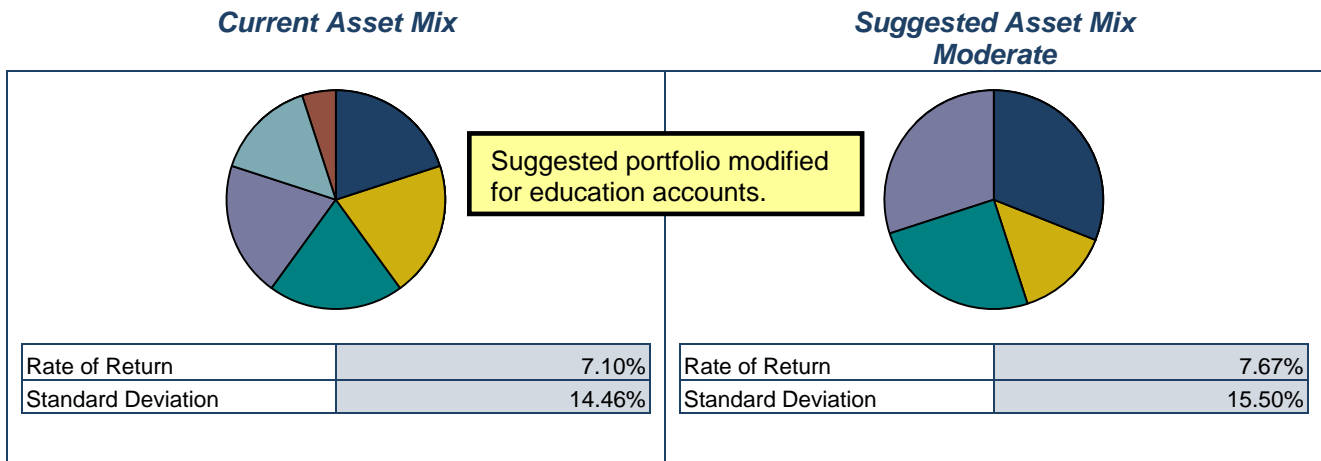
■ Desired Needs	■ Ability to Cover Needs	■ Shortfall	■ Surplus
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	Assumed		Required Additional		Rate of Return
	Available Assets	Monthly Savings	Monthly Savings	Lump Sum	
Current Plan	\$8,000	\$200	\$73	\$6,878	7.10%
Proposed Plan	\$8,000	\$281	\$0	\$0	7.67%

Determine the solution that works best: save more, reduce the goal, earn more, or a combination of all three.

Asset Allocation for Education

These pie graphs illustrate your current asset mix and suggested asset mix for your education goal.



The table below provides a breakdown of the percentages and dollar values for each asset class in the current and suggested portfolio. The *Change* column indicates the rebalancing required to reach the suggested asset mix.

Asset Class	Current Asset Mix		Change		Suggested Asset Mix	
	(%)	(\$)	(%)	(\$)	(%)	(\$)
Large Cap Equity	20.0	1,600	+11.0	+880	31.0	2,480
Small Cap Equity	20.0	1,600	-6.0	-480	14.0	1,120
International Equity	20.0	1,600	+5.0	+400	25.0	2,000
High-yield Bonds	20.0	1,600	+10.0	+800	30.0	2,400
Intermediate Bonds	15.0	1,200	-15.0	-1,200		
Cash	5.0	400	-5.0	-400		
Total	100.0	8,000	+0.0	+0	100.0	8,000

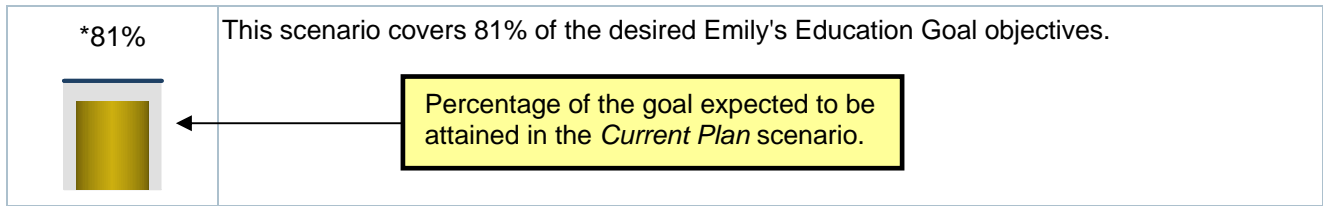
Modifications required to the current portfolio to arrive at the asset mix in the suggested portfolio.

Consider the following:

- Determine realistic values for tuition and related post-secondary education expenses.
- Factor the effects of inflation into your plan, keeping in mind that historically post-secondary education costs have increased at a significantly higher rate than inflation overall.
- Where possible, take advantage of a Registered Education Savings Plan (RESPs). The government will match up to 20% of the contribution within certain limits.
- Begin saving for your children's education as early as possible.
- Consider using a TFSA to complement an RESP.

Review important considerations and strategies to achieve the education goal.

Emily's Education Goal - Current Plan



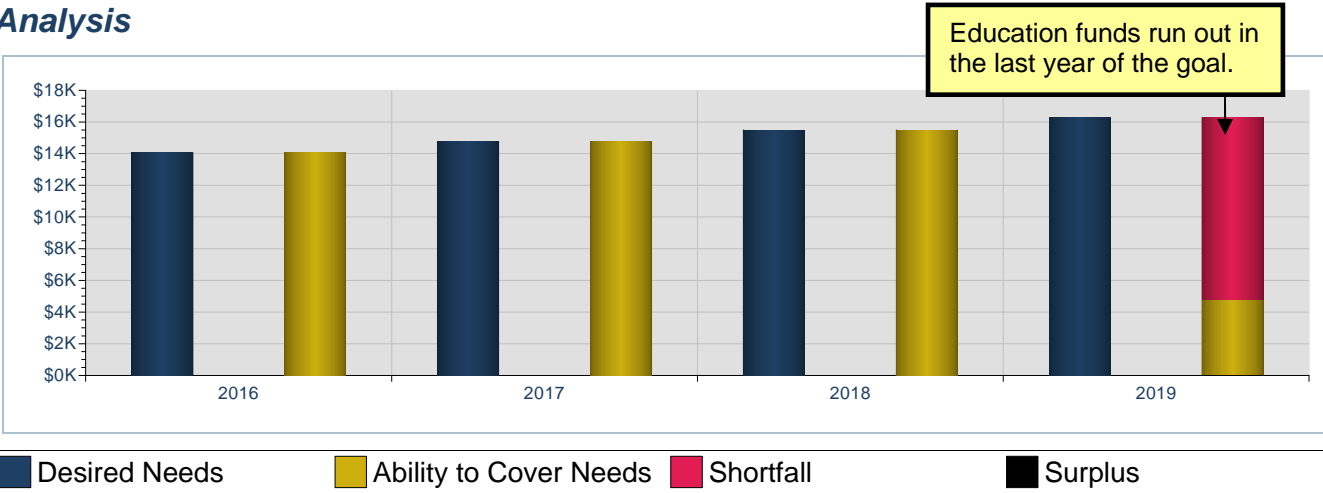
*This represents your total education needs covered by your total education resources during the education period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

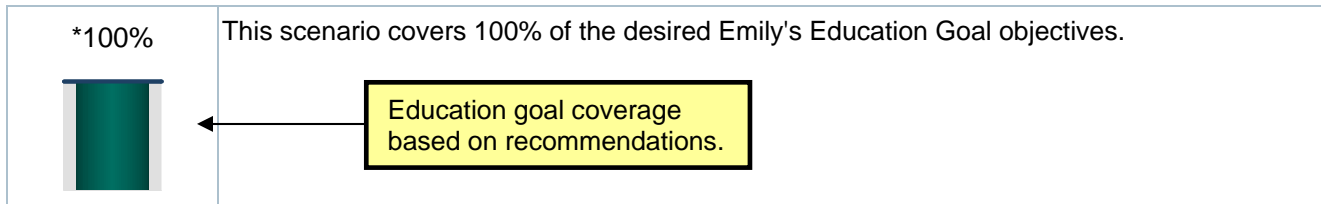
Desired Expenses Covered (Annual Goal Amount)	100% (\$14,071)
Start Year (Duration)	2016 (4 years)
Current Monthly Savings	\$200
Index Rate	5.00%
Rate of Return	7.10%

Analysis



- Capital at Start of Goal: \$38,863
- Capital at End of Goal: \$0
- Year Capital Exhausted: 2019

Emily's Education Goal - Suggested Asset Mix with savings (Recommended)



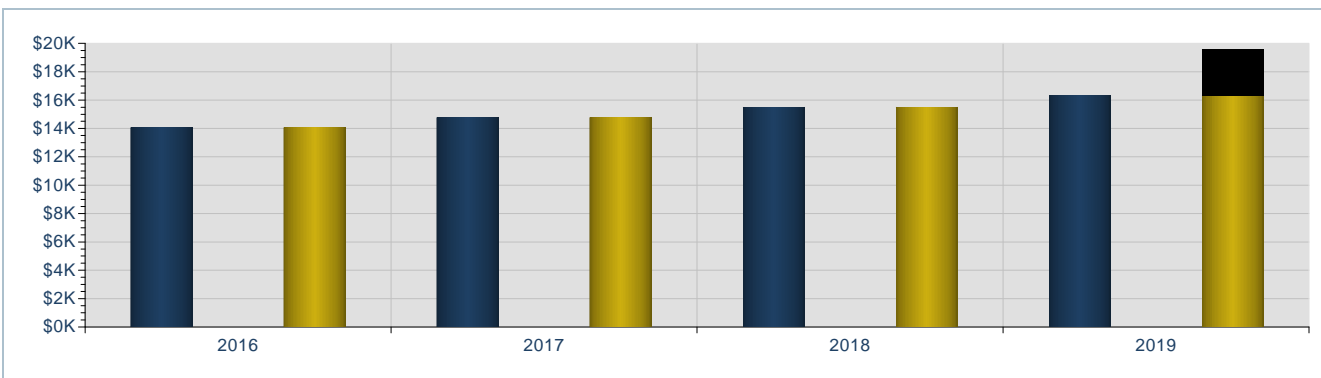
*This represents your total education needs covered by your total education resources during the education period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

Desired Expenses Covered (Annual Goal Amount)	100% (\$14,071)
Start Year (Duration)	2016 (4 years)
Additional Lump-Sum Savings	\$0
Current Monthly Savings	\$200
Additional Monthly Savings	\$81
Additional Monthly Savings indexed at	0.00%
Additional Monthly Savings Start Date	February 1, 2009
Index Rate	5.00%
Investment Objective (ROR)	Moderate (7.67%)

Analysis



■ Desired Needs	■ Ability to Cover Needs	■ Shortfall	■ Surplus
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- Capital at Start of Goal: \$48,298
- Capital at End of Goal: \$3,272
- Year Capital Exhausted: Never

Balance remaining at the end of the goal can be used as a cushion for unexpected expenses or directed towards another goal.

	Goal Coverage	Capital at Start of Goal	Capital at End of Goal
Current Plan	81%	\$23,897	\$75
Suggested Asset Mix	78%	\$22,892	\$2
Delay Vacation 5 Years	100%	\$36,419	\$1,557
Moderate Aggressive Portfolio	86%	\$25,290	\$1,796

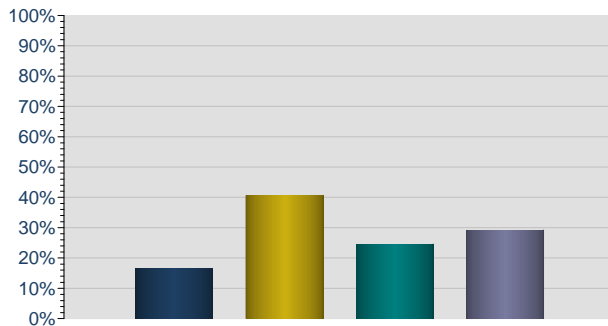
Monte Carlo Analysis

Explain how the variability of financial markets might affect financial objectives.

Monte Carlo Analysis expands the traditional financial planning analysis by adding uncertainty into the plan. This analysis takes into consideration that it is difficult to accurately predict annual return rate expectations. While return rate expectations over the long term can be reasonably predicted, the actual pattern over the short term is difficult to predict and may often appear random. Monte Carlo analyzes your financial plan by randomizing the return rates with the normal expected range each year and performing this analysis multiple times to simulate a number of possible financial outcomes.

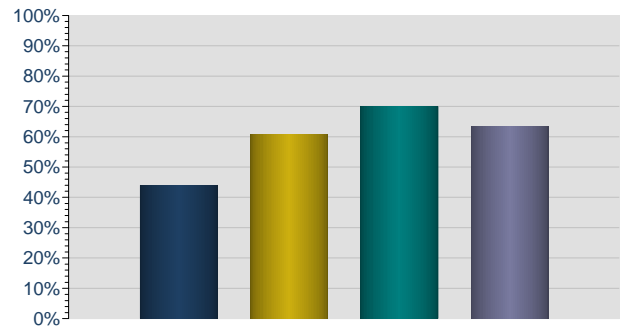
The following graphs and tables summarize the probability of the success of each of your goals:

Current Plan



All Goals - 16.67%	Emily's Education Goal - 24.67%
Retirement Goal - 40.67%	European Vacation - 29.33%

Proposed Plan



All Goals - 44.00%	Emily's Education Goal - 70.00%
Retirement Goal - 60.67%	European Vacation - 63.33%

The Proposed Plan illustrates an improvement in the probability of success.

Current Plan

Goal	Success Rate	10th Percentile	50th Percentile	90th Percentile
All Goals	16.67%			
Retirement Goal	40.67%	(\$3,186,683)	(\$759,541)	\$10,019,477
Emily's Education Goal	24.67%	\$35,378	\$51,420	\$73,091
European Vacation	29.33%	\$15,780	\$26,273	\$38,632

Proposed Plan

Goal	Success Rate	10th Percentile	50th Percentile	90th Percentile
All Goals	44.00%			
Retirement Goal	60.67%	(\$2,438,398)	\$1,603,545	\$10,493,449
Emily's Education Goal	70.00%	\$55,716	\$66,818	\$92,670
European Vacation	63.33%	\$23,844	\$38,971	\$57,489

Consider the following:

- Do your investments provide you with sufficient cash flow over the entire planning horizon?
- Do large holdings of non-income-producing real estate need to be liquidated at some point during your lifetime?
- Do you have adequate investments to cover shorter-term objectives such as children's education and major purchase and expense items?
- Is the level of risk for your investments appropriate? Could you satisfy your financial objectives with a lower level of risk?
- Comparing plans with two different risk profiles allows you and your advisor to analyze the relative success of the two plans.

Important: The projections or other information generated by NaviPlan® version 11.0 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. The projections utilize return data that do not include fees or operating expenses, are not available for investment, and are shown for illustrative purposes only. If included, fees and other operating expenses would materially reduce these projections. See the Disclaimers section at the beginning of this document for more information.

Disability Insurance - Kate

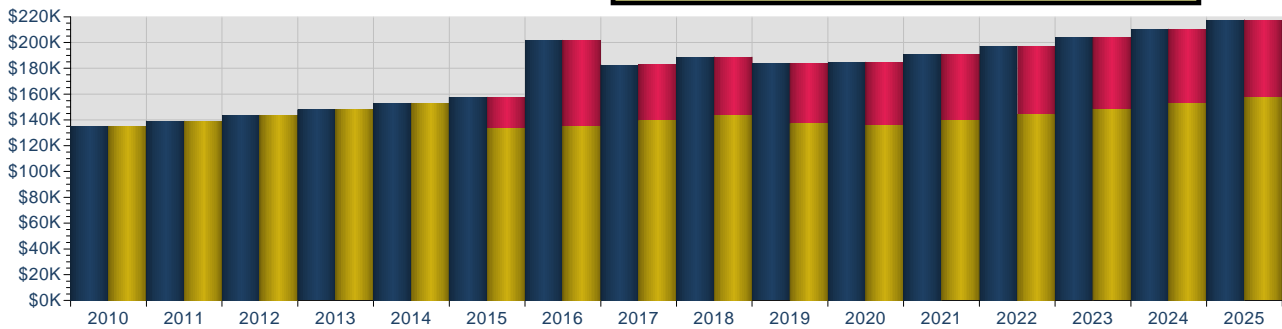
Disability insurance is designed to protect you against lost earning power due to a disability. Disability policies generally provide benefits that replace a portion of your earned income, usually 50%–70%. A short-term disability (STD) policy generally provides benefits from six months to two years, following a short waiting period. A long-term disability (LTD) policy generally provides benefits until the insured reaches an age specified in the contract, or for the insured’s lifetime. For both types, benefits end when the disability ends. You should have enough disability insurance to maintain your living standard at an acceptable level if you are no longer able to work due to a disabling injury or illness.

The following graphs provide an analysis of each of the years in your disability coverage situation. The top graph displays your current disability needs vs. abilities without additional savings. The bottom graph displays your proposed attainable goal.

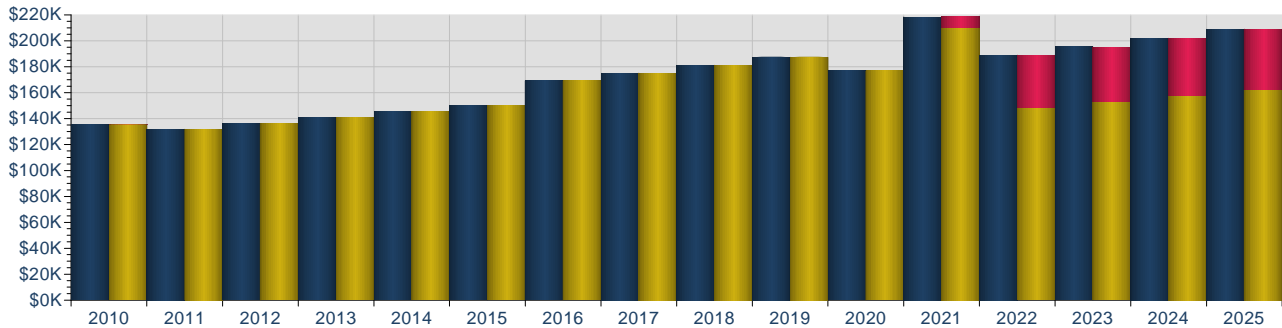
Disability Needs Vs. Abilities

Current Plan

Acquiring additional disability insurance may cover some of or the entire projected shortfall.



Proposed Plan



Disability Insurance Assumptions

In the event that Kate becomes disabled, you have requested that 100% of your current lifestyle expenses be covered. You would like to maintain the level of surplus cash that would normally be available if Kate had not become disabled. Also, existing and proposed investment plans will be maintained unless these goals have been reduced or eliminated. This means that any assets that you have linked with other goals (e.g. retirement, education, major purchase) will continue to be used to help fund those goals.

Life Insurance - Stuart

A life insurance analysis should ensure that when a death occurs in your family, there is sufficient income and capital to cover the cash flow needs for the surviving family members over the entire planning period. When you are young, a major reason for survivorship planning is to provide financial protection for your dependants. Without the continued benefit of your income, your family may not be able to afford ongoing expenses for housing, transportation, food, clothing, etc. There may also be additional expenses for childcare. Post-secondary education and retirement needs will also continue to exist.

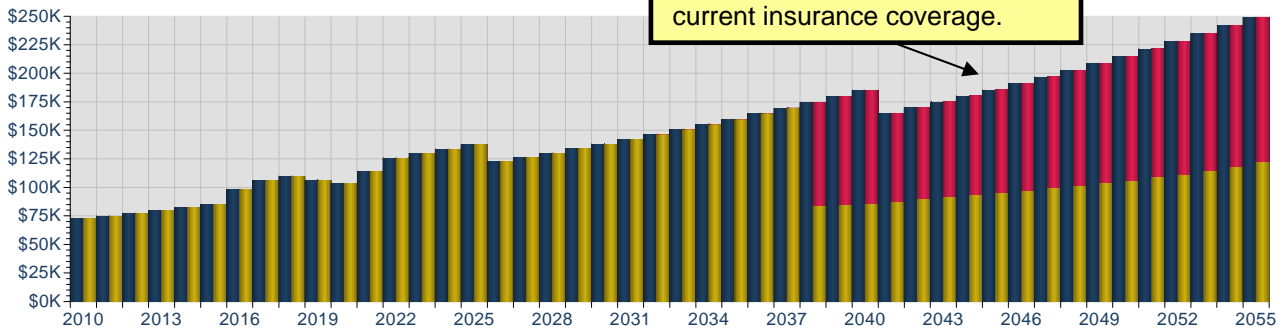
When you are older, the major goal of survivorship planning may be to protect the value of your estate from declining due to probate tax, income tax and other costs. This type of income replacement provides cash flow to meet these needs, which would otherwise have to be covered by redeeming your existing assets.

In the event of Stuart's death, you want to ensure Kate has enough income and capital to cover both the family's expenses and any investment plans needed to fund your goals.

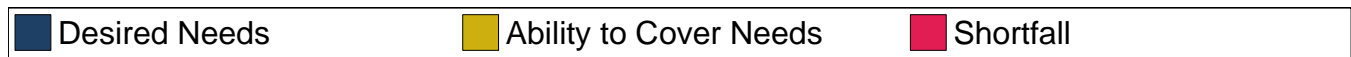
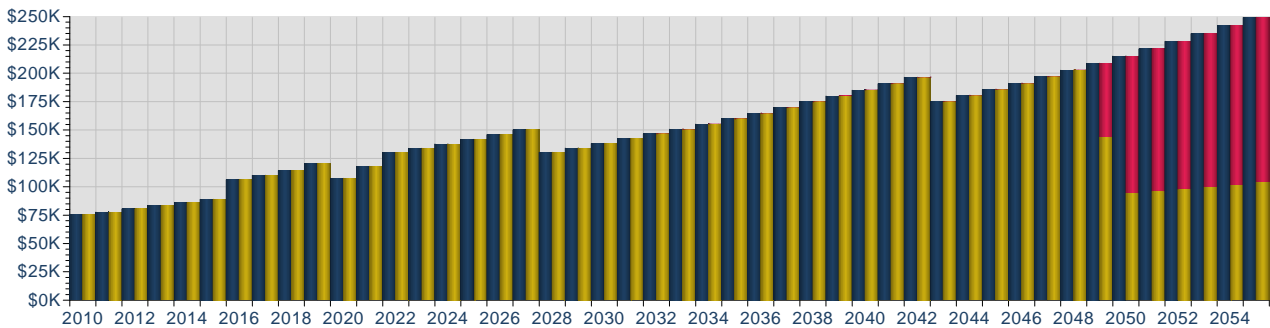
To achieve survivor needs, Stuart requires \$103,034 in additional life insurance, with a rate of return of 7.00%.

Life Insurance Needs Vs. Abilities

Current Plan



Proposed Plan



The following report provides an overview of your life insurance if Stuart were to die at the end of this year (2009), using assumptions from the Proposed Plan.

Lump sum needs include final expenses and other needs at death. Capital needed to meet cash flow deficits is the lump sum you would require to meet your survivor's needs for their expected lifetime, or the estate needs to provide for your children.

Life Insurance Summary

Stuart	
Existing Life Insurance Coverage	\$300,000
Immediate Capital Needs	
Burial Expense	\$10,000
Mortgage	\$142,282
Car Loans	\$5,851
Assumed Expenses	\$7,613
Existing Resources to meet Immediate Needs	
Pre-Death Cash Flow Surplus	(\$2,388)
Life Insurance Proceeds	(\$160,858)
Death Benefit from CPP / QPP	(\$2,500)
Additional Coverage for Immediate Needs	\$0
Capital needed to meet future cash flow shortfalls	
Life Insurance Proceeds	(\$136,642)
Reinvested Surplus	\$0
Additional Coverage for Future Shortfalls	\$103,034
Additional Recommended Coverage	\$103,034

Additional life insurance needed to provide income until mortality.

Consider the following:

- Ask yourself what expenses would change if you were to die tomorrow.
- Review your coverage periodically to ensure it continues to meet your family's changing needs.
- Review group coverage at work. You may not want to rely only on group policies, in case you change jobs, or your employer changes to another insurer where you may no longer be eligible. The amount of coverage may also be inadequate.
- It is also important to consider continued savings to fund other financial goals.

Critical Illness Insurance - Kate

Current Plan

If Kate becomes critically ill

Kate may incur an additional lump sum expense of **\$50,000**

Kate currently has no lump sum critical illness insurance coverage.

Kate currently has no critical illness medical coverage insurance.

Proposed Plan

If Kate becomes critically ill

Kate may incur an additional lump sum expense of **\$50,000**

Kate currently has no lump sum critical illness insurance coverage.

Kate currently has no critical illness medical coverage insurance.

Depending on the circumstances, you may or may not be able to purchase coverage. We should further discuss your needs and wants to clarify these issues.

Consider the following:

- Ask yourself what expenses would change if either you or your spouse became critically ill tomorrow.
- Ask yourself what additional expenses would arise if you or your spouse became critically ill tomorrow.
- Ask yourself what debts you would need or want to retire if you or your spouse became critically ill tomorrow.
- Review your existing policy's critical insurance benefit, definition of critical illness, waiting period, nature of benefits and their duration.
- Review your existing disability insurance coverage to determine what portion of your expenses would be covered if you were critically ill and unable to work. Consider the effect of these policies if you become critically ill but remain able to work for some part of the illness.
- Review the coverage periodically and adjust it according to the changes in your income and expense needs.

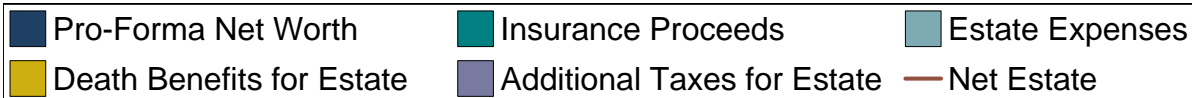
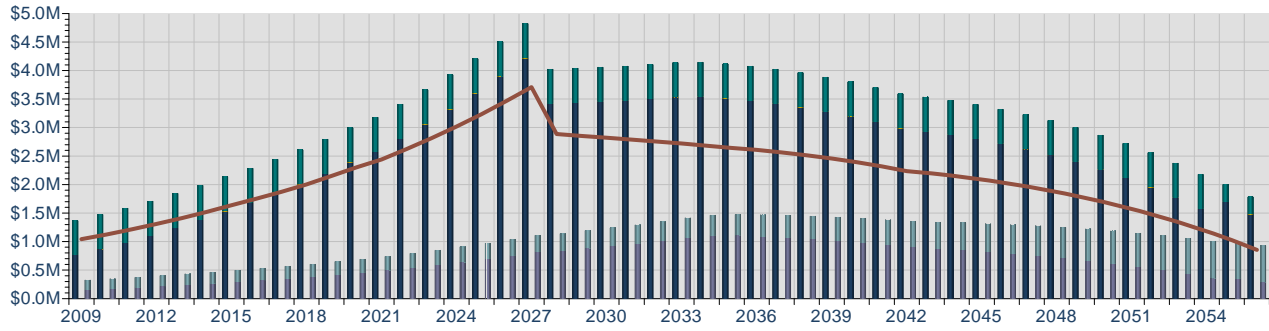
Suggestions to facilitate a discussion about existing and recommended critical illness insurance coverage.

Estate Summary

Graphically illustrate the effect of the death of the client and/or co-client in a given year. Discuss ways to mitigate the tax implications.

Estate planning is the process of developing and implementing documents and strategies to ensure the distribution of your property during your life and after your death according to your goals and objectives. Without such a plan, you may lose control of the distribution and taxation of your assets and leave those decisions to chance and outside forces.

Estate Analysis



Consider the following:

- Regardless of the size of an estate, everyone should have a will, durable power of attorney, living will, and health care proxy.
- Estate planning strategies can minimize or reduce the taxes and fees that may have to be paid upon your death.

Action Plan

Summarize transactions for the recommended plan.

The following report shows the actions proposed by the needs analysis in italics, based on the strategies proposed in the previous sections of this report. Please remember your financial situation and assumptions are likely to change over time. You should review your financial plan at least once a year or more frequently if you experience any material changes in your personal situations, to help ensure your plan remains on track and to refine your overall strategy and its implementation details, if necessary.

Activity for 2009

Savings

Asset	Contributor	Amount	Comment
15% of Joint Non Registered Account(Non-Reg.)	Joint	\$900	Regular Savings Plan (\$75/month)
85% of Joint Non Registered Account(Non-Reg.)	Joint	\$5,100	Regular Savings Plan (\$425/month)
Emergency Fund (Joint/Non-Reg.)	Joint	\$1,818	Regular Savings Plan (\$165/month)
Emily's Education Goal Fund (Joint/Non-Reg.)	Joint	\$891	Regular Savings Plan (\$81/month)
Retirement Fund (Joint/Non-Reg.)	Joint	\$500	Lump Sum Savings on Jan 1 2009
Defined Contribution - Stuart(RPP - money purchase)	Stuart	\$1,800	Regular Savings Plan (\$150/month)
Defined Contribution - Stuart(RPP - money purchase) (0% of Salary)	Employer	\$1,800	Regular Savings Plan (\$150/month)
Emily's RESP (Stuart)	Stuart	\$2,400	Regular Savings Plan (\$200/month)
Kate's RRSP	Kate	\$3,600	Regular Savings Plan (\$300/month)
Kate's TFSA	Kate	\$1,200	Regular Savings Plan (\$100/month)
Retirement Fund (Stuart/RRSP)	Stuart	\$3,000	Regular Savings Plan (\$250/month)
Retirement Fund (Stuart/TFSA)	Stuart	\$1,200	Regular Savings Plan (\$100/month)
Retirement Fund (Kate/RRSP)	Kate	\$3,000	Regular Savings Plan (\$250/month)
Retirement Fund (Kate/RRSP - Spousal)	Stuart	\$1,920	Regular Savings Plan (\$160/month)
Retirement Fund (Stuart/RRSP - Spousal)	Kate	\$1,920	Regular Savings Plan (\$160/month)
Retirement Fund (Kate/TFSA)	Kate	\$1,200	Regular Savings Plan (\$100/month)
Stuart's TFSA	Stuart	\$1,200	Regular Savings Plan (\$100/month)
Total		\$33,449	

Insurance

Policy	Payer	Premium	Coverage
Life Insurance (Stuart)	Stuart	\$1,200	Life Insurance \$300,000
Life Insurance (Kate)	Kate	\$1,020	Life Insurance \$300,000
Group STD (Stuart)	Stuart	\$240	Disability Insurance \$3,900
Group LTD (Stuart)	Stuart	\$300	Disability Insurance \$3,900
Group STD (Kate)	Kate	\$180	Disability Insurance \$3,500
Group LTD (Kate)	Kate	\$240	Disability Insurance \$3,500
Total		\$3,180	

Debt Reductions

Liability	Contributor	Amount	Comment
Mortgage	Joint	\$18,000	Regular Payments, Principal & Interest (\$1,500/month)
Car Loans	Joint	\$4,800	Regular Payments, Principal & Interest (\$400/month)

Conclusion

Now that you have reviewed the Financial Needs Summary report for both your current and proposed analysis, where do you go from here? Our recommendations are as follows:

1. **Review this document** and ensure you understand the information contained in the report. In particular, review the Action Plan section. Be sure to ask questions on areas that need clarification.
2. **Implement the Plan.** We will discuss a schedule to implement the action plan items we have agreed on. We need to establish a reliable follow-up method for strategies that start at a future date. Make sure it is clear who is responsible for implementing the task. Which items are you responsible for initiating? Which actions are the responsibilities of your other professional advisors: attorney, accountant, etc.? A checklist for these tasks is useful.
3. **Review your plan** on a regular basis, generally once a year. In addition, review it whenever a major change occurs in your family like changes in employment, birth of a child, new income or expenses, etc. You may need to adjust your plan in light of any new circumstances.

A final thought!

Remember to maintain a long-term focus with your plan. Do not expect to anticipate every curve in the road, but be prepared to adjust your plan when necessary. Your financial plan is not a single event but a journey that may cover ten, twenty and thirty years or longer.

Prepare next steps and set up next meeting.

Plan Data Summary

The current plan is based on these assumptions. Ensure this data is accurate.

This report summarizes the data, which was entered in your **Base Plan**.

General Information

Detail	Stuart	Kate
Birth Date	Jan 1 1964	Feb 4 1966
Proposed Retirement Date	Jan 2026	Jan 2026
Life Expectancy	Dec 2054	Dec 2056
CPP/QPP Benefits start on	Jan 2026	Mar 2026
OAS Benefits start on	Feb 2029	Mar 2031
Qualify for % of Max. CPP/QPP Benefits	100%	100%
Qualify for % of OAS Benefits	100%	100%
Earned Income (2008)	\$65,000	\$65,000
Pension Adjustment (2008)	\$0	\$3,000
Unused RRSP Deduction Room	\$45,000	\$20,000
Pre-Retirement Tax Rates		
Average Tax Rate	25.42%	25.42%
Marginal Tax Rate	44.32%	44.32%
Retirement Tax Rates		
Average Tax Rate	25.42%	25.42%
Marginal Tax Rate	44.32%	44.32%
Year of Death Tax Rates		
Average Tax Rate	35.80%	35.80%
Marginal Tax Rate	47.32%	47.32%

Tax Options

The option "**Joint Election to Split Pension Income**" was selected. By selecting this option both clients have agreed to split their pension income for tax purposes.

Assumptions

Detail	
Inflation Rate	3.00%
Tax Filing Status-Stuart	Married
Tax Filing Status-Kate	Married

Estate Assumptions

Detail	Stuart	Kate
Is there a will?	No	No
Where are the wills kept?		

Dependants

Name	Birth Date	Age as of Plan	
		Date	Dependant of
Emily	Feb 11 1998	10	Stuart and Kate

Delivery Acknowledgement

We, Stuart and Kate Blake, have reviewed and accept the information contained within this plan and understand the assumptions associated with it. We believe that all information provided by us is complete and accurate to the best of our knowledge. We recognize that performance is not guaranteed and that all future projections are included simply as a tool for decision-making and do not represent a forecast of our financial future. This plan should be reviewed periodically to ensure that decisions made continue to be appropriate, particularly if there are changes in family circumstances, such as an inheritance, birth of a child, death of a family member, or material change in incomes or expenses.

Stuart Blake

Client signatures acknowledge the review and acceptance of the information contained in this proposal.

Kate Blake

Date:

Please Note...

This plan has been prepared based on the information provided. There has been no attempt to verify the accuracy or completeness of this information. As the future cannot be forecast with certainty, actual results will vary from these projections. It is possible that these variations may be material. The degree of uncertainty normally increases with the length of the future period covered.

***For details on reports, calculations, and useful tips in interpreting results in NaviPlan Standard, refer to the EISI Knowledge Base at <http://knowledge.eisi.com/> Search for "Functional Documentation."