



# Client workbook

# It's not paperwork – **It's your future**

*in sync* is a planning tool that will help you and your advisor work better together to reach your personal financial goals more effectively.

*in sync* can help you gain control over your financial future – but it can only do its job if you provide the necessary information. It's essential that you be as accurate and honest as possible because your answers form the starting point for your plan. And remember, anything you tell your advisor is confidential.

Don't think of this as "paperwork." It's about your future. By filling out this workbook completely, you'll give your advisor what he or she needs to make you feel secure and comfortable about your understanding of your investment, estate planning and insurance needs.

Whether you're planning for retirement, your children's education, trying to reduce your taxes, or just looking for financial clarity, the process starts here because it will help you answer three key questions:

- Where am I now?
- Where do I want to be?
- How do I get there?

Please be as thorough as possible. If you're not sure of an answer, leave it blank and discuss it with your advisor, but don't omit any information – it's all important for helping you reach your personal financial goals.

# Personal

Just to make sure all your documentation is correct and up-to-date, use this section to verify your personal information (and your spouse's if applicable).

<b>Plan type</b>	<input type="checkbox"/> Investment	<input type="checkbox"/> Life insurance (Leave this for your advisor to fill out)
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**Marital status**     Single client     Couple

## You

## Spouse

<b>Gender*</b>	<input type="checkbox"/> Male	<input type="checkbox"/> Female	<input type="checkbox"/> Male	<input type="checkbox"/> Female		
<b>First name</b>	_____		_____			
<b>Last name</b>	_____		_____			
<b>SIN</b>	_____		_____			
<b>Date of birth</b>	_____ / _____ / _____	_____ / _____ / _____	_____ / _____ / _____	_____ / _____ / _____		
	mm	dd	yy	mm	dd	yy
<b>Occupation</b>	_____		_____			
<b>Work phone #</b>	_____		_____			
<b>Home phone #</b>	_____		_____			
<b>E-mail</b>	_____		_____			

<b>Address</b> _____
<b>City</b> _____ <b>Province</b> _____ <b>Postal code</b> _____

\*This information is required to help determine your planning horizon.

# Investments

Will your current investment plan meet your future financial goals? How will you know? Start by filling out this investment section to figure out what you own now, and what you'll need.

	You	Spouse
Retirement age	_____	_____
Planning horizon <sup>1</sup>	_____	_____
Current income (pre-tax)	\$ _____	\$ _____
Average tax rate <sup>2</sup>		
Pre-retirement	_____ %	_____ %
In-retirement	_____ %	_____ %
Investment tax rate <sup>3</sup>	_____ %	_____ %

## Future Income Requirements

*in sync* enables investors to plan for as many as four different income phases during retirement. These different phases may reflect your different lifestyle choices during retirement.

You have two options

**Option 1: Enter Retirement Income**

**Option 2: Enter Multiple Goals**

	Amount (Today's \$)	Your Start Age	Your End Age
Retirement (after-tax) <sup>4</sup> \$ _____	Phase 1* \$ _____	_____	_____
Survivor Income Need <sup>5</sup> _____ %	Phase 2 \$ _____	_____	_____
	Phase 3 \$ _____	_____	_____
	Phase 4** \$ _____	_____	_____

\* Where applicable, the first phase may be allocated to the period where one spouse is retired and the other is not.

\*\*Where applicable, the last phase may be allocated to the period where one spouse is deceased and the other is not.

Principal preservation <sup>6</sup> \$ \_\_\_\_\_  Today's \$  Future \$

## *in sync* tips

We have placed the following icon <sup>1</sup> wherever there is a tip. These tips will help you fill out the forms and better understand the context of the questions. Please use the number in the icon to refer to the corresponding tip number on pages 20-21.





# Other income sources

You may expect other sources of income in the future (sale of home, inheritance, rental income, etc.). List them here.

Owner	Description	Annual amount	Start age	End age	Dollar terms	Growth <sup>9</sup>	Tax <sup>10</sup>
_____	_____	\$ _____	_____	_____	T F	_____ %	Y N
_____	_____	\$ _____	_____	_____	T F	_____ %	Y N
_____	_____	\$ _____	_____	_____	T F	_____ %	Y N
_____	_____	\$ _____	_____	_____	T F	_____ %	Y N
_____	_____	\$ _____	_____	_____	T F	_____ %	Y N

# Pension benefits

Some companies and many public service organizations provide defined benefit pensions for their employees. Please list your defined benefit pension(s) here.

Owner	Employer name	Annual amount	Start age	End age	Dollar terms	Growth	Bridge benefit	Survivor benefit
_____	_____	\$ _____	_____	_____	T F	_____ %	\$ _____	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %	\$ _____	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %	\$ _____	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %	\$ _____	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %	\$ _____	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %	\$ _____	_____ %

# Government benefits

If you're expecting to receive government benefits, check "Y" and *in sync* will estimate your benefits, which you can revise later. If you're not expecting to receive these benefits, check "N."

Do you expect to receive:

**You**

**Spouse**

CPP/QPP

Y  N

Y  N

Start age \_\_\_\_\_

(Must be between 60 and 70 years)

Start age \_\_\_\_\_

(Must be between 60 and 70 years)

OAS

Y  N

Y  N

# Other significant expenses

*in sync* is more than just a retirement planner – it gives you a total financial picture. If you have other plans for your investments, such as buying a cottage or paying for a child’s education, itemize these expenses in this section. Remember to state whether it is your expense, your spouse’s or a joint expense.

Owner	Description	Annual amount	Start age	End age	Dollar terms	Growth <sup>9</sup>
_____	_____	\$ _____	_____	_____	T F	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %
_____	_____	\$ _____	_____	_____	T F	_____ %

# Allocator

To effectively assess your ability to meet your retirement goals, you need to assess not only the amount of money you invest, but also the sorts of investments you have and their historic rates of return. Your investment can be one of eight types:

- **Canadian equity** – investments in stocks located in Canada
- **U.S. equity** – investments in stocks located in the United States
- **Bonds** – investments in fixed-income securities
- **GICs (Guaranteed Investment Certificates)** – investments with guaranteed returns
- **Cash equivalents** – investments in bank accounts, marketable securities and Treasury bills
- **High-yield bonds** – investments in non-investment-grade bonds that have a lower credit rating
- **EAFE** – investments in stocks located in the regions of Europe, Australia and Southeast Asia
- **U.S. small-/mid-cap equity** – investments in stocks of small- and mid-sized U.S. companies, typically with market capitalizations up to US\$10 billion

Use this section to estimate your current asset mix. If you do not know what to enter here, your advisor will enter an estimate for you.

Asset type	Current	Recommended
Canadian equity	_____ %	_____ %
U.S. equity	_____ %	_____ %
Bonds	_____ %	_____ %
GICs	_____ %	_____ %
Cash equivalents	_____ %	_____ %
High-yield bonds	_____ %	_____ %
EAFE	_____ %	_____ %
U.S. small-/mid-cap equity	_____ %	_____ %



# Risk tolerance questionnaire

Many people are uncertain about the level of volatility they can or should tolerate in their investments. The information gathered here will help you and your advisor determine your tolerance or capacity for volatility. Your advisor can then decide if there's a conflict between the asset allocation you need and the asset allocation you can comfortably accept, given your ability to tolerate investment volatility. When answering the following questions you should have your specific investment objective in mind as this will impact things such as your time horizon and the types of securities that are appropriate for this investment.

1. Do you need all of your invested money back in the next year or two?

Yes  No

2. When you consider this investment, what purpose do you have in mind?

Non-registered savings plan (non-RRSP) or registered education savings plan (RESP)

Registered savings plan (RRSP)

## Personal situation

3. How many years do you expect to maintain at least your current income level?

5 years or less  5 to 10 years  10 years or more

4. Your financial stability is important when determining how much risk you can tolerate in your investments. Do you feel that your current financial situation is:

very secure  relatively secure  secure  somewhat secure  not secure

5. Your age is:

under 30  30 to 42  43 to 54  55 to 64  over 64

## Investment objectives and goals

6. When investing, you may choose investments that provide a regular stream of income and/or investments that offer the potential for growth. Currently you need this investment to:

Not decrease from your initial investment

Provide a stream of income

Provide a mix of income and growth

Grow, since income is not important to you at this time

Grow as much as possible

7. How many years will you keep this investment before you need to make withdrawals from the original amount?

- 3 years or less
- 3 to 8 years
- 8 to 12 years
- 12 years or more

## Risk tolerance

8. When evaluating the performance of your investments, you review your holdings:

- Frequently (at least quarterly) and sell investments that performed poorly since your last review
- Annually and sell investments that performed poorly since your last review
- At least annually to assess performance and change your portfolio only if investments have performed poorly for a long time and you do not expect them to recover their value
- Infrequently or never

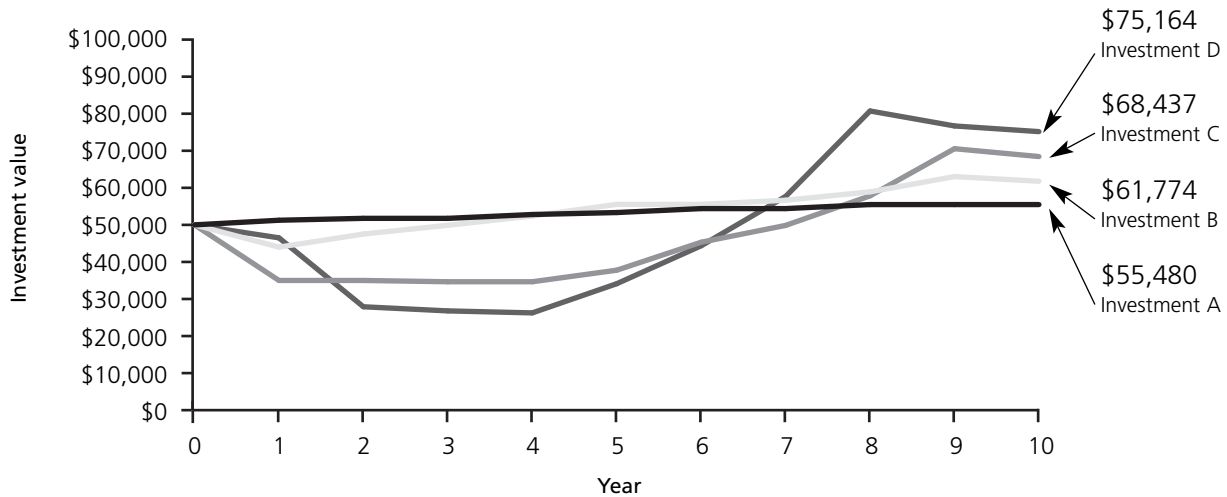
9. Which normal investment return best represents what you are prepared to accept over a one-year time frame given the potential loss that you may experience once in every 20 years?

	Normal return – over one year	Loss – once in 20 years
<input type="checkbox"/>	6.2%	-6.1%
<input type="checkbox"/>	7.8%	-10.6%
<input type="checkbox"/>	9.3%	-15.7%
<input type="checkbox"/>	10.2%	-18.7%
<input type="checkbox"/>	11.0%	-21.0%

10. Last year, you purchased units in a mutual fund. Since then, it has lost 15% of its value, which is consistent with the performance of similar funds. What is your reaction?

- I would sell my units
- I would keep my units
- I would buy more units

11. With an original investment of \$50,000, which hypothetical return history best represents the ideal performance for your portfolio over a 10-year period?



- Investment A  
  Investment B  
  Investment C  
  Investment D

12. Which statement best applies to you?

- I must achieve my financial goal by my target date
- I would like to come close to achieving my financial goal by my target date
- I have the flexibility to move the target date further into the future if my investment value is below my goal
- I re-evaluate my financial goal and my target date regularly and have the flexibility to adjust either to align them with the performance of my investments

13. Which statement best describes your preferred approach to investing?

- I would rather accept a lower rate of return to avoid fluctuations in the value of my account
- I am willing to accept day-to-day fluctuations associated with an investment in the stock market for the potential to earn a higher return
- I would like to achieve above-average returns on my investment and I am willing to accept some fluctuations in the value of my investment
- I don't have a preferred approach

# Life insurance

Life insurance serves two purposes. First, it can replace the income of a spouse in the event of death. Second, it can offset estate taxes, which lets you transfer as much of your property as possible to your heirs – instead of the government. Consider what you'd face if your spouse died suddenly: funeral expenses, your mortgage and day-to-day living expenses would all have to be covered.

## Immediate expenses

	You	Spouse
Mortgage	\$ _____	\$ _____
Emergency	\$ _____	\$ _____
Funeral	\$ _____	\$ _____
Travel	\$ _____	\$ _____
Taxes <sup>11</sup>	\$ _____	\$ _____
Miscellaneous	\$ _____	\$ _____
Business liquidation value <sup>12</sup>	\$ _____	\$ _____

## Life insurance policies

Owner	Description	Amount
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

## Earned income

	You	Spouse
Annual earned income (pre-tax) <sup>13</sup> \$	_____	\$ _____

## Income goals

	You	Spouse
Pre-retirement income goals <sup>14</sup>	_____ %	_____ %
In-retirement income goals	_____ %	_____ %

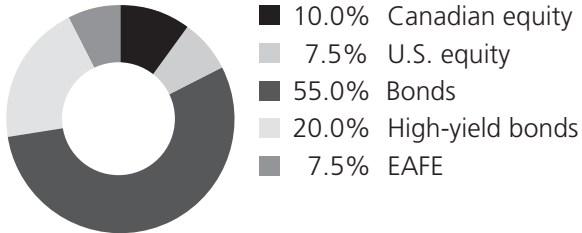
## Special CPP/QPP benefits

Children's benefit – to determine the Canada Pension Plan/Quebec Pension Plan children's benefit, enter your children's names and ages:

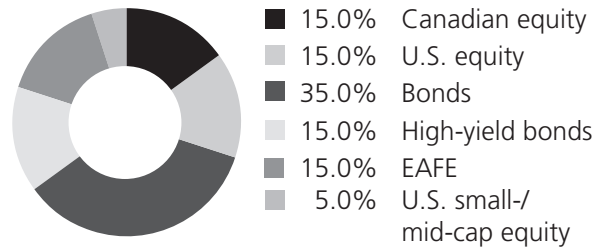
Child's name	Age	Child's name	Age
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

# Asset mix profiles

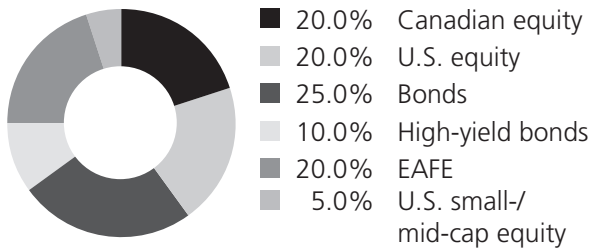
## Income



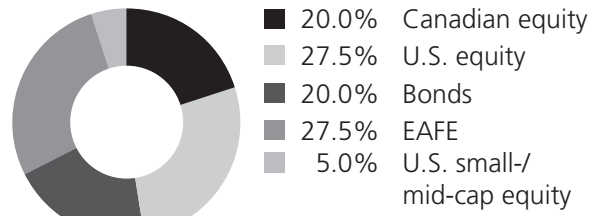
## Income with growth



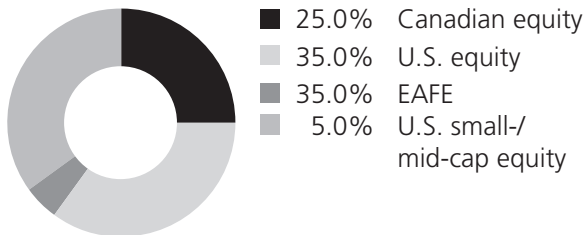
## Growth with income



## Growth



## Long-term growth



# Estate planning

There are several steps you need to take to ensure that your estate is in order. These 10 steps will help guide you through the process – but your advisor can assist you whenever you need help. It is important, as you can see from the first step, to establish a team of professionals (tax planner, lawyer, estate administrator). Ask your advisor to help you get your team together.

	<b>Not applicable</b>	<b>To do</b>	<b>Pending</b>	<b>Complete</b>
1. Designate a team of professionals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Draw up a household balance sheet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Understand your life insurance needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Draw up your will	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Establish power of attorney for property	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Establish power of attorney for personal care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Minimize taxes and administration fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Keep track of accounts & important information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Review and update regularly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Share your plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Notes

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# Cash Flow Analysis

Getting a handle on what money flows in and out of your household each month is critical to the development of any financial plan. Use this tool to make a determination of where your money comes from (and goes to). For best results, you should have some pay stubs and/or past tax returns on hand.

Advisor Note: Inputs in the Cash Flow do not carry over to the Investment Planner. However, any identified surplus cash flow can be added to either your RRSP or non-RRSP savings.

	<b>You</b>	<b>Spouse</b>
<b>(+) Inflows:</b>		
<b>Earned</b>		
Salary	\$ _____	\$ _____
Bonuses/Commissions, etc.	\$ _____	\$ _____
Company/Government Pension(s)	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Investment</b>		
Dividends	\$ _____	\$ _____
Interest	\$ _____	\$ _____
Private Business/Partnerships	\$ _____	\$ _____
Rental Properties	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Other</b>		
Alimony	\$ _____	\$ _____
Child Support	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>(-) Outflows:</b>		
<b>Housing</b>		
Mortgage	\$ _____	\$ _____
Rent	\$ _____	\$ _____
Property Tax	\$ _____	\$ _____
Utilities	\$ _____	\$ _____
Maintenance	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Food and Clothing</b>		
Groceries	\$ _____	\$ _____
Restaurant	\$ _____	\$ _____
Clothing	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Education Outflows</b>		
Tuition	\$ _____	\$ _____
Materials (Books, Kits, etc.)	\$ _____	\$ _____
Other	\$ _____	\$ _____



	<b>You</b>	<b>Spouse</b>
<b>Transportation</b>		
Lease/Loan Payments	\$ _____	\$ _____
Insurance	\$ _____	\$ _____
Maintenance	\$ _____	\$ _____
Gas	\$ _____	\$ _____
Parking	\$ _____	\$ _____
Public Transportation	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Insurance (excluding Automobile)</b>		
Home/Property	\$ _____	\$ _____
Life	\$ _____	\$ _____
Disability	\$ _____	\$ _____
Critical Illness	\$ _____	\$ _____
Employment Insurance	\$ _____	\$ _____
Long-Term Disability	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Investment Contributions</b>		
Non-RRSP	\$ _____	\$ _____
RRSP	\$ _____	\$ _____
RESP	\$ _____	\$ _____
Company Pension	\$ _____	\$ _____
Canada Pension	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Income Tax</b>		
Employment	\$ _____	\$ _____
Investment	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Debt Service (excluding Mortgage &amp; Automobile)</b>		
Credit Card Payments	\$ _____	\$ _____
Line of Credit Payments	\$ _____	\$ _____
Loan Payments	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Other</b>		
Alimony	\$ _____	\$ _____
Child Support	\$ _____	\$ _____
Entertainment	\$ _____	\$ _____
Vacations	\$ _____	\$ _____
Charitable Donations	\$ _____	\$ _____
Gifts	\$ _____	\$ _____
Other Outflows	\$ _____	\$ _____

**Notes**

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# Balance sheet

What do you own? How much do you owe? Filling out the household balance sheet will help you clearly identify your assets and your liabilities so you can calculate your net worth. Your advisor can then help you determine your financial priorities.

	You	Spouse
<b>Current assets</b>		
Cash and short-term investments	\$ _____	\$ _____
Accounts receivable	\$ _____	\$ _____
Other current assets	\$ _____	\$ _____
<b>Long-term financial assets</b>		
RRSP investments	\$ _____	\$ _____
Non-RRSP investments	\$ _____	\$ _____
Life insurance cash value	\$ _____	\$ _____
Long-term financial assets	\$ _____	\$ _____
<b>Real estate</b>		
Principal residence	\$ _____	\$ _____
Other real estate	\$ _____	\$ _____
<b>Other non-financial assets</b>		
Vehicles	\$ _____	\$ _____
Furniture	\$ _____	\$ _____
Collectibles	\$ _____	\$ _____
Miscellaneous	\$ _____	\$ _____
<b>Total current liabilities</b>		
Accounts payable	\$ _____	\$ _____
Income taxes payable	\$ _____	\$ _____
Credit card balance(s)	\$ _____	\$ _____
Line(s) of credit	\$ _____	\$ _____
Other current liabilities	\$ _____	\$ _____
<b>Long-term liabilities</b>		
Mortgage	\$ _____	\$ _____
Car loan(s)	\$ _____	\$ _____
Investment loan(s)	\$ _____	\$ _____
Other long-term liabilities	\$ _____	\$ _____

## Notes

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# Tips

## 1 Planning horizon

This is the age to which you're planning for your assets to last. Statistics Canada has found that a man retiring at age 65 will probably live to age 81, with a 10% chance of living beyond age 91. A woman retiring at age 65 has a life expectancy of 85 years, with a 10% chance of living beyond age 95.

## 2 Average tax rate

Average tax is your total taxes paid divided by your pre-tax income. Indicate the average tax you expect to pay now and in the future. If you do not know what to enter here, your advisor will enter an appropriate number for you.

## 3 Investment tax rate

Investment tax rate is the tax rate applied to the growth of your non-RRSP investments. Enter the tax you expect to apply to the future growth of your non-RRSP investments. As a reference, you may want to use your marginal tax rate here.

Note: *in sync* will automatically reduce the tax rate by 50% for all equity investments.

## 4 Retirement (after-tax)

When making your calculations, be sure to keep this rule in mind: after retirement, most people need less money to maintain a comparable standard of living. If you're like most Canadians, you'll require 70% – 80% of your current annual income to maintain your standard of living during retirement. But circumstances do vary – to be really useful, planning must reflect individual needs.

Note: These entries only apply to the investment planner. Future income requirements for the insurance planner should be entered in the insurance section.

## 5 Survivor income need

If you're planning for one spouse to live longer than the other, indicate the percentage of retirement income required for the surviving spouse.

## 6 Principal preservation

Indicate the after-tax amount you would like to leave to the estate. The model will preserve this amount at the end of the planning horizon.

## 7 Annual savings

All standard RRSP and non-RRSP savings are assumed to commence this year, end at retirement and index to inflation.

## 8 Realized gain and book value

Leave these sections for your advisor to fill out. *in sync* will only accept book values equal to or less than current values.

## 9 Growth

Enter the annual rate at which you expect this amount to increase.

## 10 Tax

Leave this section for your advisor to fill out.

## 11 Taxes

Be sure to include an estimate of the accrued taxes payable on the deemed or actual disposition of assets in a first-to-die situation.

## 12 Business liquidation value

If there is a possibility that your business will no longer be viable after death, you should insure against the costs associated with discontinuing the business.

## 13 Annual earned income (pre-tax)

Would you expect the premature death of your spouse to influence your future earnings? Enter the annual pre-tax income you would expect to earn following the death of your spouse.

## 14 Pre-retirement income goals

Enter the total annual after-tax income you would require following the death of your spouse. Enter this amount as a percentage of your current annual after-tax household income.



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## Contact us

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