

Financial Needs

Prepared For Jim & Janet Wilson

February 6, 2020

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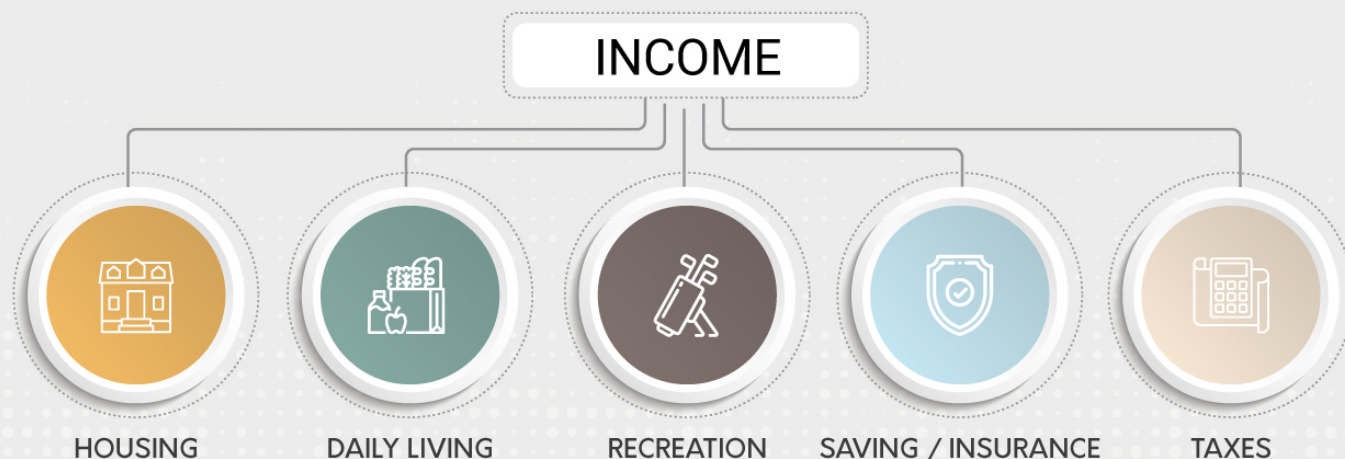
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TOOLS FOR FINANCIAL SUCCESS

Cash Flow Statement

Controlling your financial affairs requires a budget or cash flow statement.

Budgeting and tracking your expenses gives you a strong sense of where your money goes and can help you reach your financial goals, whether you are saving for a down payment on a house, paying down credit cards or saving for retirement.



Benefits of Preparing a Cash Flow Statement

KNOW WHERE YOU STAND



Find out exactly how much money you have, where your money is allocated and how close are you to reaching your goals.

GAIN CONTROL



With a budget, you will have the tools to decide what to do with your hard earned money and when.

A COMMUNICATION TOOL



A budget and cash flow statement will allow you to speak with family members about priorities and how the money should be spent.

IDENTIFY OPPORTUNITIES



Knowing and controlling the state of your financial affairs will allow you to take advantage of opportunities that you might otherwise miss.

EXTRA RESOURCES



A budget may reveal that you have extra money that was not accounted for.

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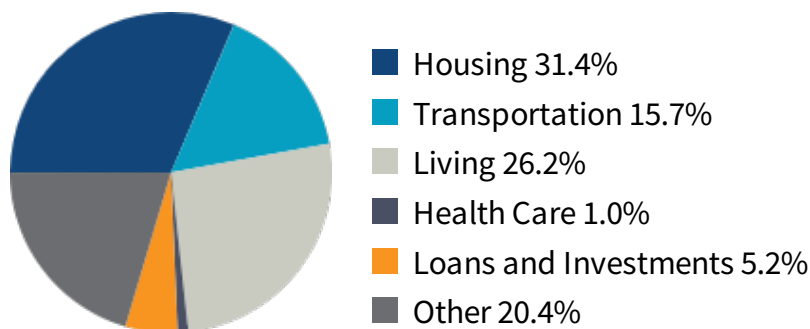
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Cash Flow

Summary

Family income	\$150,000
Income taxes	\$30,946
Source deductions	\$7,218
Other deductions	\$0
Non-taxable income	\$0
After-tax income (A)	\$111,836
Expenses	
Housing	\$30,000
Transportation	\$15,000
Living	\$25,000
Health Care	\$1,000
Loans and Investments	\$5,000
Other	\$19,500
Total Expenses (B)	\$95,500
Net income after expenses (A minus B)	\$16,336



Assumptions

Calculations use marginal tax rates as of January 2019. Rates take all federal and provincial taxes and surtaxes into account and the basic personal tax credit. CPP source deductions are calculated on the Employment income amounts using the 2019 employee rate of 5.10% to a maximum of \$2,749. EI (employment insurance) deductions are calculated on the Employment income amount using the 2019 rate of 1.62% to a maximum of \$860.

Cash Flow Details

Income	Jim
Employment	\$75,000
Self-employment	\$0
Pensions	\$0
CPP and OAS	\$0
RRSPs and RRIFs	\$0
Investments	\$0
Rental property income	\$0
Other	\$0
Other	\$0
Before-tax income	\$75,000
Income taxes	\$15,473
Source deductions	\$3,609
Other deductions	\$0
Non-taxable income	\$0
Annual after-tax income	\$55,918

Housing	Annually
Mortgage	\$18,000
Rent	\$0
Property taxes	\$5,000
Repairs	\$2,000
Insurance	\$1,000
Utilities	\$4,000
Other	\$0
Other	\$0
Total	\$30,000

Living	Annually
Groceries	\$10,000
Clothing	\$2,500
Household items	\$2,500
Entertainment	\$5,000
Dining	\$5,000
Other	\$0
Other	\$0
Other	\$0
Total	\$25,000

Loans and Investments	Annually
Loans	\$0
Credit cards	\$0
RRSPs, RRIFs, Pensions	\$5,000
Stocks, mutual funds	\$0
Other	\$0
Other	\$0
Other	\$0
Other	\$0
Total	\$5,000

Income	Janet
Pensions	\$75,000
Self-employed	\$0
Pensions	\$0
CPP and OAS	\$0
RRSPs and RRIFs	\$0
Investments	\$0
Rental property income	\$0
Other	\$0
Other	\$0
Before-tax income	\$75,000
Income taxes	\$15,473
Source deductions	\$3,609
Other deductions	\$0
Non-taxable income	\$0
Annual after-tax income	\$55,918

Transportation	Annually
Gas	\$6,000
Repairs	\$2,000
Insurance	\$2,000
Loan	\$5,000
Lease	\$0
Other	\$0
Other	\$0
Other	\$0
Total	\$15,000

Health Care	Annually
Health insurance	\$0
Life insurance	\$0
Disability insurance	\$0
Dental	\$0
Eyes	\$1,000
Medical	\$0
Other	\$0
Other	\$0
Total	\$1,000

Other	Annually
Child care	\$12,000
Vacations	\$5,000
Gifts	\$2,500
Memberships	\$0
Other	\$0
Other	\$0
Other	\$0
Other	\$0
Total	\$19,500

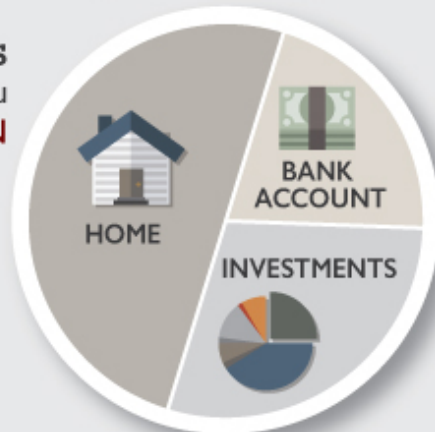
Net Worth Statement

Before you can reach a financial goal, you need to know where you stand.
Your Net Worth is a reference point on your financial road map.

Elements of your Net Worth Statement

Your net worth is your assets minus your liabilities. The difference between all the things of value that you own and all the debts that you owe.

Assets What you OWN



Liabilities What you OWE



Benefits of Preparing a Net Worth Statement



Money Management

A net worth statement will help to identify the best sources for cash should you need it.



Saving

Knowing precisely your net worth balance is a strong incentive to save.



Financial Planning

Net worth is an essential component of financial planning to help you to reach your financial and life goals.



Insurance Planning

Determining the worth of your valuables will be necessary to get the proper amount of insurance protection.



Estate Planning

Clarifying your net worth will help when deciding how your estate should be divided up.



Borrowing

If you need to borrow cash or arrange a mortgage, you will be required to provide an accurate net worth statement.

Get started planning for your future today.

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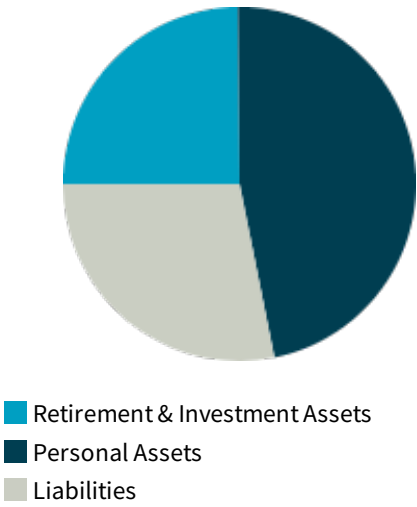
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Net Worth

Summary

Retirement assets	\$250,000
Investment assets	\$15,000
Total retirement and investment assets	\$265,000
Personal assets	\$500,000
Total assets	\$765,000
Liabilities	\$300,000
Net worth	\$465,000

Assets and Liabilities



Net Worth Detail

Retirement Assets	
RRSPs (individual and group)	\$200,000
TFSAs	\$50,000
RRIFs/LIFs	\$0
Locked in RRSPs, LIRAs	\$0
Value of your pension plan	\$0
Other	\$0
Other	\$0
Other	\$0
Total	\$250,000

Personal Assets	
Personal residence	\$500,000
Vacation property	\$0
Vehicles	\$0
Furnishings	\$0
Jewelry	\$0
Art, collectables	\$0
Other	\$0
Other	\$0
Total	\$500,000

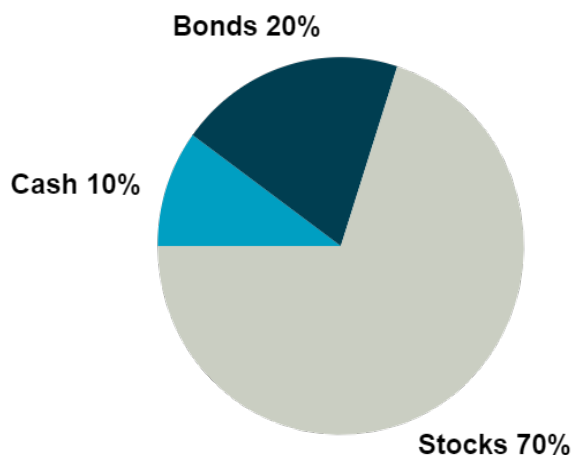
Investment Assets	
Cheque, savings accounts	\$5,000
GICs, Term deposits, CSBs	\$0
Mutual funds	\$0
Stocks, bonds	\$10,000
Real estate (investment)	\$0
Cash value of life insurance	\$0
Other	\$0
Other	\$0
Total	\$15,000

Liabilities	
Mortgage personal residence	\$250,000
Mortgage other properties	\$0
Personal loans	\$25,000
Credit cards	\$0
Line of credit	\$25,000
Investment loans	\$0
Other	\$0
Other	\$0
Total	\$300,000

Investor Profile

Aggressive

This portfolio provides long-term growth potential. There are more price fluctuations along with higher return potential. The volatility and growth potential are high while the income potential is low.



Investor Profile

Seeks high growth, willing to accept higher risks associated with stocks.



Volatility

High



Growth Potential

High



Income

Low

Question	Answer
How old are you?	46-55
When will you need your money?	10 to 15 years
What is your current family income?	Over \$125,000
What is your current net worth?	\$201,000 to \$500,000
If the value of your investments goes down, you change your strategy.	Disagree
You prefer keeping your investments safe and intact instead of staying ahead of inflation.	Disagree
Which \$10,000 investment would you choose given the range of returns after 1 year?	15% loss to 20% gain
The ups and downs of the market keep you up at night.	Disagree
You think GICs and Term Deposits are the best long term investments.	Strongly disagree
You manage your finances and investments using a clear financial plan with well-defined goals.	More or less agree

Retirement Planning Trade-offs

Ensuring you have Enough Capital to Sustain Your Retirement

Planning for retirement involves trade-offs.

The amount of retirement capital you need will depend on a number of variables.

MORE CAPITAL REQUIRED IF:

Retirement Income Needs are Higher

Start Investing Later in Life

Retirement Income is not Indexed to Inflation

Retire Early / Longer Retirement



Pension Sources Expected to be Lower

Earn a Low Rate of Return

Current Retirement Savings are Low

LESS CAPITAL REQUIRED IF:

Pension Sources Expected to be Higher

Earn a Higher Rate of Return

Current Retirement Savings are Higher



Retirement Income Needs are Lower

Start Investing Earlier in Life

Retirement Income is Protected against Inflation

Retire Later / Shorter Retirement

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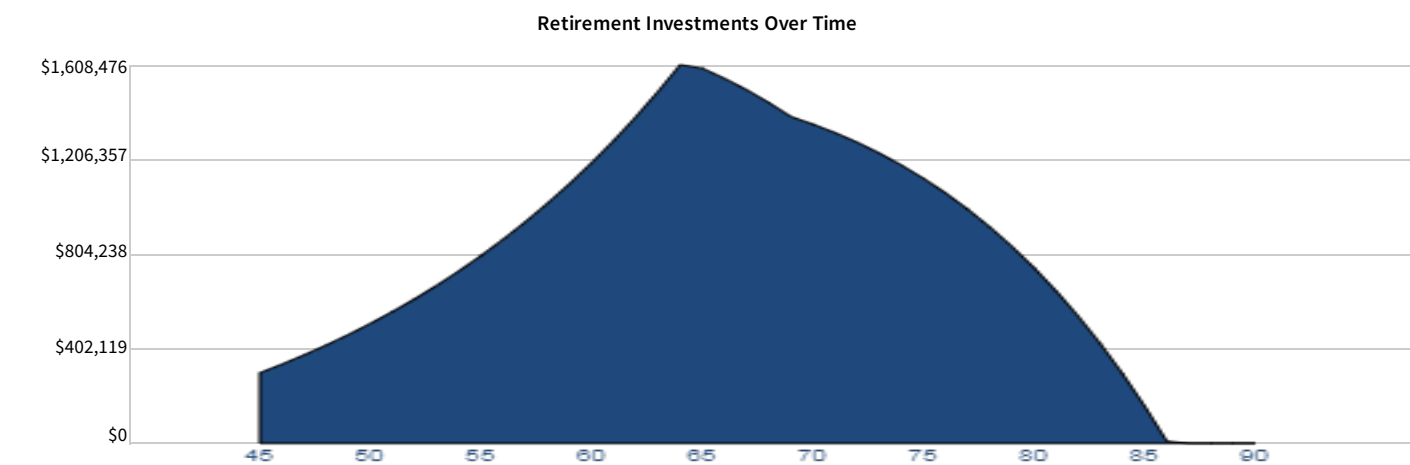
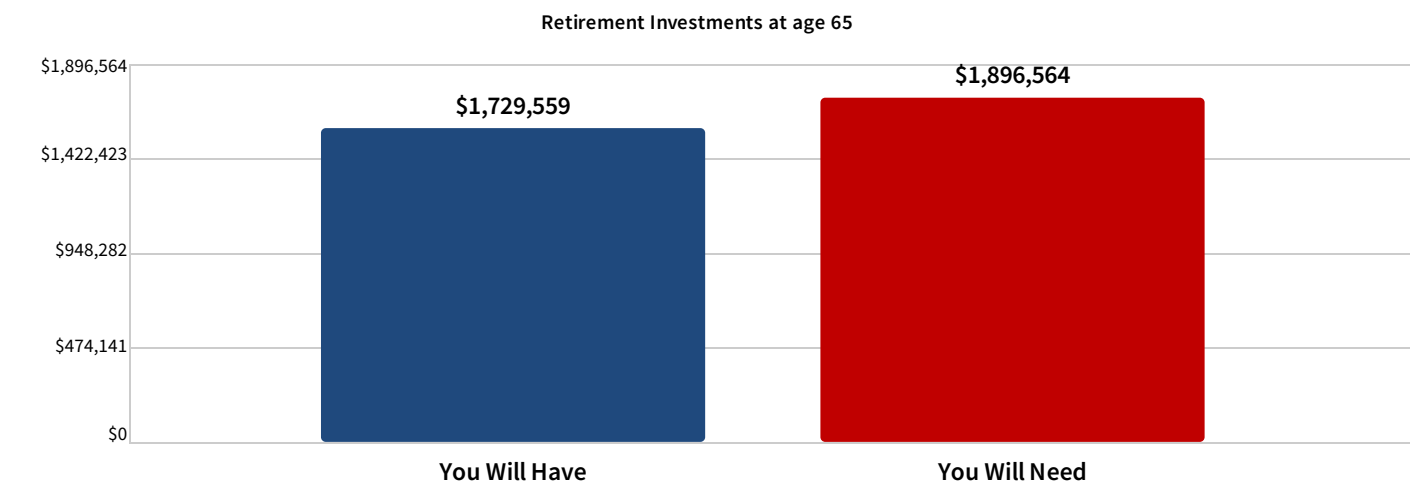
Retirement Calculator

You will not have enough money to sustain you through retirement and will deplete your funds at age 87.

Money you will need (A):	\$1,896,564
Money you will have (B):	\$1,729,559
Additional money needed (A minus B):	\$167,005
Annual investment to accumulate additional money:	\$557

You will not have enough at Retirement

You need \$167,005 more at 65
or you will run out of money in 22 years at age 87.



Retirement Calculator

Accumulation Table

This table shows the growth of your investment assets between now and retirement.

Jim	Janet	RRSP		TFSA		Non-Registered		Total
Age	Age	Return	Value	Return	Value	Return	Value	Value
45	40	6.00%	222,000	6.00%	59,000	6.00%	18,400	299,400
46	41	6.00%	245,520	6.00%	68,540	6.00%	22,054	336,114
47	42	6.00%	270,655	6.00%	78,652	6.00%	25,978	375,286
48	43	6.00%	297,507	6.00%	89,372	6.00%	30,190	417,068
49	44	6.00%	326,181	6.00%	100,734	6.00%	34,707	461,623
50	45	6.00%	356,793	6.00%	112,778	6.00%	39,550	509,121
51	46	6.00%	389,462	6.00%	125,545	6.00%	44,738	559,745
52	47	6.00%	424,317	6.00%	139,077	6.00%	50,295	613,689
53	48	6.00%	461,492	6.00%	153,422	6.00%	56,241	671,156
54	49	6.00%	501,133	6.00%	168,627	6.00%	62,604	732,364
55	50	6.00%	543,391	6.00%	184,745	6.00%	69,407	797,543
56	51	6.00%	588,428	6.00%	201,829	6.00%	76,680	866,938
57	52	6.00%	636,416	6.00%	219,939	6.00%	84,452	940,807
58	53	6.00%	687,537	6.00%	239,136	6.00%	92,753	1,019,425
59	54	6.00%	741,984	6.00%	259,484	6.00%	101,616	1,103,084
60	55	6.00%	799,962	6.00%	281,053	6.00%	111,078	1,192,093
61	56	6.00%	861,687	6.00%	303,916	6.00%	121,175	1,286,778
62	57	6.00%	927,391	6.00%	328,151	6.00%	131,946	1,387,488
63	58	6.00%	997,317	6.00%	353,840	6.00%	143,433	1,494,590
64	59	6.00%	1,071,724	6.00%	381,070	6.00%	155,681	1,608,476
65	60	6.00%	1,150,887	6.00%	409,935	6.00%	168,737	1,729,559

Retirement Calculator

Distribution Table

This table shows your income need, income sources and how your investments are distributed and drawn down during retirement.

Jim	Janet	Income	Income				Inv't	Income
Age	Age	Need	CPP/OAS	Pension	Other	Inv't	Balance	Shortage
65	60	167,169	31,312	0	0	135,857	1,593,701	0
66	61	170,512	31,938	0	0	138,574	1,550,749	0
67	62	173,923	32,577	0	0	141,346	1,502,449	0
68	63	177,401	33,228	0	0	144,173	1,448,423	0
69	64	180,949	33,893	0	0	147,056	1,388,272	0
70	65	184,568	69,142	0	0	115,426	1,356,142	0
71	66	188,259	70,525	0	0	117,735	1,319,776	0
72	67	192,025	71,935	0	0	120,090	1,278,873	0
73	68	195,865	73,374	0	0	122,491	1,233,113	0
74	69	199,782	74,841	0	0	124,941	1,182,159	0
75	70	203,778	76,338	0	0	127,440	1,125,649	0
76	71	207,854	77,865	0	0	129,989	1,063,199	0
77	72	212,011	79,422	0	0	132,589	994,402	0
78	73	216,251	81,011	0	0	135,240	918,826	0
79	74	220,576	82,631	0	0	137,945	836,010	0
80	75	224,987	84,283	0	0	140,704	745,466	0
81	76	229,487	85,969	0	0	143,518	646,676	0
82	77	234,077	87,688	0	0	146,389	539,088	0
83	78	238,758	89,442	0	0	149,316	422,117	0
84	79	243,534	91,231	0	0	152,303	295,141	0
85	80	248,404	93,056	0	0	155,349	157,501	0
86	81	253,372	94,917	0	0	158,456	8,496	0
87	82	258,440	96,815	0	0	9,005	0	152,619
88	83	263,609	98,751	0	0	0	0	164,857
89	84	268,881	100,726	0	0	0	0	168,154
90	85	274,258	102,741	0	0	0	0	171,518

Retirement Calculator

Assumptions

Income Need				
Current age				45
Retirement starts at age				65
Retirement ends at age				90
Current annual income				\$150,000
Index income to inflation rate of				2.00%
Inflated income at retirement				\$222,892
How much will you need at retirement?				75.00%
Income need in first year of retirement				\$167,169
Change income need? No		Change at age: 75	New income need:	0
Change again? No		Change at age: 75	New income need:	0

Retirement Income				
Include incomes for a spouse / partner?				Yes
Partner's current age				40

CPP (Canada Pension Plan)		Jim	Janet
What percent of maximum CPP do you qualify for?		100.00%	100.00%
Start receiving at age		65	65
Inflated CPP amount at start age		\$20,588	\$22,731

OAS (Old Age Security)			
What percent of OAS do you qualify for?		100.00%	100.00%
Defer receiving OAS for how many years?		0	0
Inflated OAS amount at start age		\$10,724	\$11,840

Index CPP and OAS benefits to inflation rate of				2.00%
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Pension Income				
Jim	Amount	Indexed at	Start Age	End Age
Pension 1	\$0	2.00%	66	90
Pension 2	\$ 0	0.00%	66	90
Pension 3	\$ 0	0.00%	66	90
Janet				
Pension 1	\$0	2.00%	66	90
Pension 2	\$ 0	0.00%	66	90
Pension 3	\$ 0	0.00%	66	90

Other Income				
Jim	Amount	Indexed at	Start Age	End Age
Other Income 1	\$ 0	0.00%	66	90
Other Income 2	\$ 0	0.00%	66	90
Other Income 2	\$ 0	0.00%	66	90
Janet				
Other Income 1	\$ 0	0.00%	66	90
Other Income 2	\$ 0	0.00%	66	90
Other Income 2	\$ 0	0.00%	66	90

Retirement Calculator

Assumptions (continued)

Investments

	Current	Annual				
	Value	Contribution	When?	Indexed at	Start Age	End Age
RRSPs	\$200,000	\$10,000	End	2.00%	45	65
TFSAs	\$50,000	\$6,000	End	0.00%	45	65
Non-Registered	\$15,000	\$ 2,500	End	2.00%	45	65

Other investments or withdrawals before retirement (age 45 to 65)

RRSP	Type	Amount	Indexed at	Start Age	End Age
Other 1	Investment	\$ 0	0.00%	45	65
Other 2	Investment	\$ 0	0.00%	45	65
TFSAs					
Other 1	Investment	\$ 0	0.00%	45	65
Other 2	Investment	\$ 0	0.00%	45	65
Non-Registered					
Other 1	Investment	\$ 0	0.00%	45	65
Other 2	Investment	\$ 0	0.00%	45	65
Other 3	Investment	\$ 0	0.00%	45	65

Investments or withdrawals during retirement (age 66 to 90)

	Type	Amount	Indexed at	Start Age	End Age
Other 1	Investment	\$ 0	0.00%	66	65
Other 2	Investment	\$ 0	0.00%	66	65
Other 3	Investment	\$ 0	0.00%	66	65
Other 4	Investment	\$ 0	0.00%	66	65
Other 5	Investment	\$ 0	0.00%	66	65

Inflate amounts between now and the Start Ages entered above? Yes

Rates of Return

Before retirement (age 35 to 65)

RRSPs	6.00%
TFSAs	6.00%
Non-Registered	6.00%

During retirement (age 66 to 90)

Rate of return	6.00%
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Other Assumptions

All calculations are before-taxes.

RRSPs, TFSAs and Non-Registered investments are grouped into one investment pool during retirement.

RRSP funds would have to be converted to a RRIF or annuity no later than age 71.

The Old Age Security clawback is not factored into the calculations.

Annual investment to accumulate additional money is calculated using an average rate of return of 6.00% before retirement. The investment is made at the end of the year.

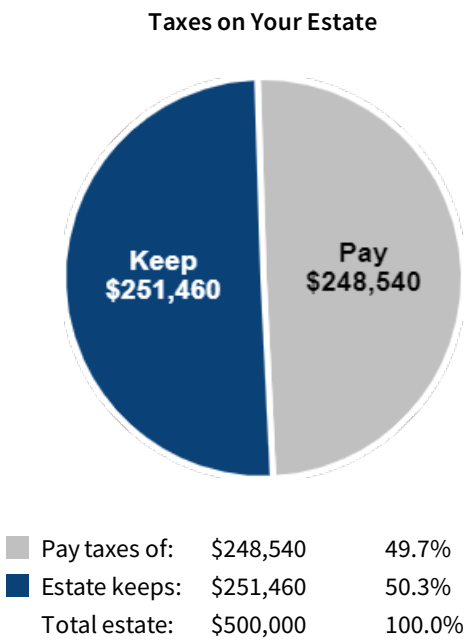
Final Tax Bite

Where do you live?	Ontario
Regular taxable income in year of death	\$ 50,000

Estate Assets

These are considered to have been sold for fair market value immediately prior to death

Registered	Market Value	Original Cost	Capital Gain	Taxable Amount
RRSPs	\$500,000	N/A	N/A	\$500,000
RRIFs	\$0	N/A	N/A	\$0
DPSPs	\$0	N/A	N/A	\$0
Non-Registered				
Mutual funds	\$0	\$0	\$0	\$0
Stocks, bonds	\$0	\$0	\$0	\$0
Real estate	\$0	\$0	\$0	\$0
Vacation property	\$0	\$0	\$0	\$0
Business	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Estate totals	\$500,000			\$500,000



Final Tax Bite

Assumptions

This calculator is for illustration purposes only and is not intended to calculate your actual tax liability. It provides an estimate of the tax liabilities at death assuming there is no surviving spouse.

Calculations use marginal tax rates as of January 2019. Rates take all federal and provincial taxes and surtaxes into account and the basic personal tax credit. The capital gains inclusion rate is 50%.

Only Canadian assets are included in the calculations. The tax on your estate is the difference between the tax payable on your regular income (before any deemed dispositions of your estate's assets) and the tax payable on your regular income plus the taxable amount of your estate.

		Taxable Amt	Tax
Regular + estate income	A	\$550,000	\$256,600
Regular income	B	\$50,000	\$8,060
Estate income	A-B	\$500,000	\$248,540

How Much Insurance is Enough?

Proper planning will help to ensure that your survivors have enough money to pay off debts, pay the daily bills and ensure there are enough funds to live on.

Determining the right insurance coverage for your needs is an important decision.

HOW MUCH LIFE INSURANCE YOU'LL NEED INVOLVES TWO MAJOR FACTORS:

1

DEBTS AND EXPENSES

How much will it take to pay your debts off?



MORTGAGE



CREDIT CARDS



LEGAL & ACCOUNTING FEES



FUNERAL EXPENSES



OTHER DEBTS

2

MAINTAIN LIFESTYLE

How much will it take to maintain your lifestyle?



LIVING EXPENSES



EDUCATION FUND



TAXES



UTILITIES



OTHER EXPENSES

BE SURE TO CONSIDER THE FOLLOWING:

The question of how much insurance to carry can be complicated, especially when your needs can change. It is important to periodically reviewing your coverage.



TYPE OF PROTECTION



LENGTH OF COVERAGE



FEES & CHARGES

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Life Insurance Needs Summary

Life insurance is one of the most important investments you can make to protect your family’s financial security.

It is used to guarantee that your family will have a lump sum to pay off large financial obligations such as a mortgage or post-secondary education, pay for funeral and estate expenses and provide an ongoing income so your family can maintain their current lifestyle.

Life insurance benefits are non-taxable and are not subject to probate fees.

Summary	Jim	Janet
Cash Needs	\$300,000	\$300,000
Income Needs	\$899,920	\$899,920
Total Cash & Income Needs	\$1,199,920	\$1,199,920
Less Available Assets	\$222,500	\$222,500
Life Insurance Need *	\$977,420	\$977,420

* A positive amount indicates an insurance need. A negative amount indicates an insurance surplus.

Client Signatures:

Jim _____

Janet _____

Date _____

Life Insurance Needs Details

Cash Needs		Jim	Janet
Funeral expenses		\$15,000	\$15,000
Mortgage paydown		\$200,000	\$200,000
Loans, credit cards		\$50,000	\$50,000
Legal, executor fees		\$5,000	\$5,000
Probate fees		\$5,000	\$5,000
Taxes		\$0	\$0
Education fund:	Cost per Year	\$0	\$0
	Years to be funded	0 years	0 years
	Number of children	0	0
	Current funding (RESPs)	\$0	\$0
	Subtotal	\$0	\$0
Emergency fund		\$25,000	\$25,000
Gifts & bequests		\$0	\$0
Other		\$0	\$0
Other		\$0	\$0
Total Cash Needs		\$300,000	\$300,000

Income Needs		Jim	Janet
Annual household income		\$150,000	\$150,000
Percent of annual income needed if you die		80.00%	80.00%
Subtotal	A	\$120,000	\$120,000
Less:	Partner's available income	\$75,000	\$75,000
	Other	\$0	\$0
	Other	\$0	\$0
Subtotal	B	\$75,000	\$75,000
Annual income shortage (A - B)		\$45,000	\$45,000
Deplete or retain capital?		Deplete	Deplete
How long will you need the extra income?		25 years	25 years
Rate of return		4.00%	4.00%
Inflation rate		2.00%	2.00%
Total Needed to Meet Income Shortage		\$899,920	\$899,920

Available Assets		Jim	Janet
Savings		\$5,000	\$5,000
Non-registered investments		\$15,000	\$15,000
Registered investments		\$0	\$0
Existing life insurance		\$200,000	\$200,000
CPP death benefit		\$2,500	\$2,500
Other		\$0	\$0
Other		\$0	\$0
Other		\$0	\$0
Total Available Assets		\$222,500	\$222,500



DEBTS

Who would make your mortgage and car loan payments, if your pay cheque stopped?



FUTURE

What would happen if your disability lasted long enough to wipe out your savings?



FAMILY

How many people depend on your income? Do you have children, parents or siblings who depend on your income?

DISABILITY INSURANCE

How Much Disability Insurance You Need will Depend



LIFESTYLE

What does your current standard of living cost and how do you feel about having to scale down?



FLEXIBILITY

Would you be willing and able to change jobs? Are you self-employed?



RESOURCES

Do you have savings, or investments that give you an income? For how long?

22%

Disabilities in Canada

of the Canadian population aged 15 years and over had one or more disabilities*.

Disabilities & Age

The prevalence of disability increases with age.*

PAYING FOR YOUR DISABILITY



SPOUSE'S INCOME

Will the income be enough to maintain your lifestyle?



LOANS

It may be difficult to secure a loan without an income.



FRIENDS & FAMILY

You must be comfortable enough to ask for assistance.



EMERGENCY FUNDS

You may be at risk of depleting future savings.



INVESTMENTS

You may be at risk of selling in an unfavourable market.



DOWNSIZE LIFESTYLE

Consider how your family will be affected.

*Statistics Canada 2017

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FINANCIAL SERVICES

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Disability Insurance Needs Summary

Disability insurance pays a benefit if you suffer an accident or illness that prevents you from working and earning an income.

It protects one of your most valuable assets, your earning power by helping to cover your monthly expenses and other financial obligations.

Income Need		Jim	Janet
What is your income need because of a disability?		is disabled	is disabled
Monthly Income Sources	B	\$5,000	\$5,000
Monthly Expenses	A	\$6,242	\$6,242
Monthly Income Need	(A-B)	\$1,242	\$1,242
Is additional disability insurance coverage needed?		Yes	Yes

* A positive amount indicates an insurance need. A negative amount indicates an insurance surplus.

Client Signatures:

Jim _____

Janet _____

Date _____

Disability Insurance Needs Details

Income Need	Jim	Janet
What is your income need because of a disability?	is disabled	is disabled
Monthly Income Sources	\$5,000	\$5,000
Monthly Expenses	\$6,242	\$6,242
Monthly Income Need	\$1,242	\$1,242

Is additional disability insurance coverage needed?	Yes	Yes
---	-----	-----

Monthly Income Sources	Jim	Janet
How much income will you have if you become disabled?	is disabled	is disabled
Partner's income	\$4,000	\$4,000
Government sources	\$0	\$0
Existing disability insurance coverage	\$1,000	\$1,000
Investments	\$0	\$0
Emergency savings	\$0	\$0
RRSP withdrawals	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Total Monthly Income Sources	\$5,000	\$5,000

Monthly Expenses	Jim	Janet
	is disabled	is disabled
What expenses need to be covered?	Monthly	Monthly
Housing	\$2,357	\$2,357
Transportation	\$1,092	\$1,092
Food	\$828	\$828
Insurance/Pensions	\$423	\$423
Recreation	\$329	\$329
Health Care	\$295	\$295
Clothing	\$310	\$310
Gifts/Charity	\$247	\$247
Miscellaneous	\$161	\$161
Education	\$200	\$200
Subtotal	\$6,242	\$6,242
Other	\$0	\$0
Other	\$0	\$0
Total Monthly Expenses	\$6,242	\$6,242

Critical Illness Insurance

Helping you to Recover from Illness

Unexpected events not only affect a family's health and well-being, but can negatively change their current financial situation and future planning needs. Years of savings could easily be used up if a critical illness occurs.

Critical illness insurance pays a benefit when the insured is diagnosed with a serious, life-altering illness or condition. Consider how this insurance can make a difference to your financial future.

Life Insurance

Life Insurance pays a benefit upon death

Critical Illness

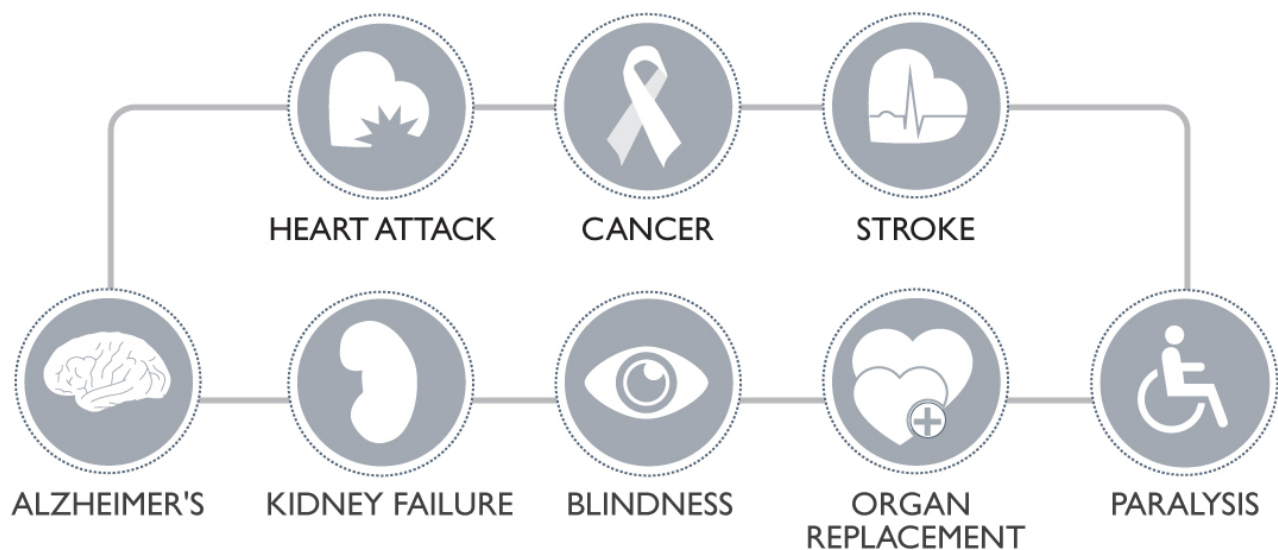
Critical Illness Insurance helps to bridge a gap between life and disability insurance. The benefit is to pay for whatever you need most.

Disability Insurance

Disability Insurance pays a benefit to cover lost wages upon an accident or illness.

Conditions many Critical Illness Insurance Policies cover*

* Individual policies will vary.



A long-term critical illness can affect an individual's family life, ability to work, and their future, well beyond recovery. Critical illness insurance is an important consideration for your financial plan. Purchasing critical illness insurance can help cover financial expenses that often arise when an unforeseen illness occurs.

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Critical Illness Needs Summary

Critical illness insurance provides funds to cover the costs associated with recovering from a life-altering illness.

You receive a tax-free lump sum payment if you meet the survival period requirement for a covered critical illness and can use the money to replace your income, cover your mortgage and debts, supplement gaps in your employer’s group plan, pay for private nursing, out-of-country treatment, medical equipment and other expenses.

Summary	Jim is ill	Janet is ill
Expense Needs	\$174,000	\$174,000
Income Needs	\$12,000	\$12,000
Total Expense & Income Needs	\$25,000	\$25,000
Less Available Assets	\$12,000	\$12,000
Critical illness insurance need	\$161,000	\$161,000

* A positive amount indicates an insurance need. A negative amount indicates an insurance surplus.

Client Signatures:

Jim

Janet

Date

Critical Illness Insurance Needs Detail

Expense Needs		Jim	Janet
How much is needed for expenses and healthcare costs?		is ill	is ill
Mortgage or rent:	Monthly amount	\$1,500	\$1,500
	Number of months	12	12
Subtotal		\$18,000	\$18,000
Other debt:	Monthly amount	\$500	\$500
	Number of months	12	12
Subtotal		\$6,000	\$6,000
Savings/investments:	Monthly amount	\$10,000	\$10,000
	Number of months	12	12
Subtotal		\$120,000	\$120,000
Other living expenses:	Monthly amount	\$2,500	\$2,500
	Number of months	12	12
Subtotal		\$30,000	\$30,000
Home care:	Daily amount	\$0	\$0
	Days per month	0	0
	Number of months	0	0
Subtotal		\$0	\$0
Nursing home:	Monthly amount	\$0	\$0
	Number of months	0	0
Subtotal		\$0	\$0
Non-insured treatment		\$0	\$0
Medical equipment		\$0	\$0
Home renovations		\$0	\$0
Vehicle conversion		\$0	\$0
Other		\$0	\$0
Other		\$0	\$0
Total Expense Needs		\$174,000	\$174,000

Income Needs		Jim	Janet
How much income needs to be replaced?		is ill	is ill
Monthly income lost	A	\$5,000	\$5,000
Monthly income sources	B	\$4,000	\$4,000
Net monthly income lost	(A-B)	\$1,000	\$1,000
Number of months		12	12
Total Income Need		\$12,000	\$12,000

Available Assets		Jim	Janet
How much do you have to cover expenses and income loss?		is ill	is ill
Savings		\$25,000	\$25,000
Non-registered investments		\$0	\$0
Existing critical illness insurance		\$0	\$0
Other		\$0	\$0
Other		\$0	\$0
Other		\$0	\$0
Total Available Assets		\$25,000	\$25,000

10 REASONS TO HAVE AN Estate Plan

Having an up-to-date estate plan with a valid will helps to ensure that your dependents and heirs will be provided for according to your wishes.



Provide adequately for your spouse and dependents.



Distribute assets according to your wishes, not the courts.



You choose the guardian for your minor children, not the courts.



Appoint your own power of attorney to manage your affairs.



Reduce or defer taxes.



Reduce probate, legal and executor fees.



Provide funds for all final expenses and liabilities.



Decrease time and potential problems to settle your estate.



Pass your business to your spouse, children or other party.



Gift money or assets to a charity of your choice.

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Estate Planning Checklist

This checklist will help you assess the status of your estate plan.

	Jim	Janet
1. I have a signed will prepared by a professional.	Yes	Yes
2. I have a signed power of attorney for my financial affairs.	Yes	Yes
3. I have a signed power of attorney for my personal care.	Yes	Yes
4. I have recently reviewed my will and powers of attorney.	No	No
5. My family knows where to find my will and powers of attorney.	No	No
6. My family knows where to find my financial records such as bank and investment accounts, tax returns and insurance policies.	No	No
7. My family knows where to find my digital records such as online banking, social media, subscriptions, user IDs and passwords.	No	No
8. I have planned my funeral and provided the details to my family.	No	No
9. I have a current net worth statement listing my assets and liabilities.	Yes	Yes
10. I have enough cash or life insurance to pay for funeral expenses, income taxes, legal, executor and probate fees.	Yes	Yes
11. I have enough cash or life insurance to replace my income and maintain my family's current lifestyle.	Yes	Yes
12. I have taken steps to protect assets brought into my current spousal relationship.	Yes	Yes
13. I have named beneficiaries for my RRSPs, RRIFs, LIFs, TFSAs, annuities, life insurance policies, pension plans and DPSPs.	Yes	Yes
14. I have considered making a planned gift to charity.	No	No
15. I have a document outlining my wishes for organ donation.	No	No
16. I have a succession plan in place for my business.	N/A	N/A
17. I have a buy/sell agreement with my business partner(s).	N/A	N/A