



Estate Planning

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Prepared for:

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Methodology

Estate planning is a process whereby an individual arranges for the orderly disposal of their estate to eliminate uncertainties over administration and probate. Although impacted by all areas of financial planning, estate planning is highly integrated with tax planning as all capital property is deemed to be disposed of immediately prior to death triggering any deferred taxes.

An important purpose of estate planning is estimating the liquidity needs of the estate to insure there is adequate capital available to pay income taxes and other cost associated with probate. Not planning for the capital needs of your estate can create additional expenses related to forced liquidation of assets at a value less than expected.

As your advisor I will help you estimate the future tax liability of your estate and recommend strategies to minimize taxes at death and provide the necessary liquidity to settle all liabilities.

Scenario 1

Base Data

Client Information	Charles	Ellen
Retirement Age:	65	63
Life Expectancy:	90	80
Risk Profile	Pre-Retirement	Post-Retirement
RRSP/RRIF and Locked-In:	Moderate Growth	Moderate
Rate of Return:	5.00 %	3.50 %
Cash, TFSA and Corporate:	Moderate Growth	Moderate
Rate of Return:	5.00 %	3.50 %
Tax Efficiency:	0.00 %	0.00 %
Other Assumptions		
Inflation:	2.50 %	
Portfolio Return:	3.75 %	
Real Estate Index:	2.50 %	
Business Growth:	0.00 %	

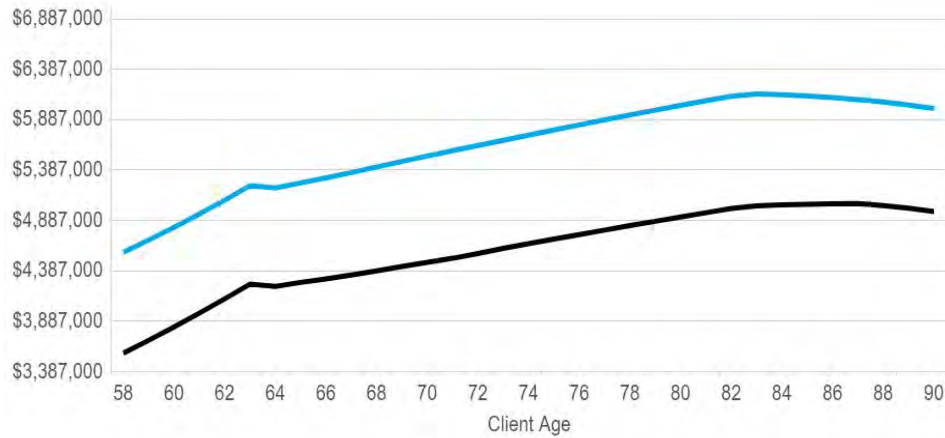
Scenario 2

Planning Advice

Client Information	Charles	Ellen
Retirement Age:	65	63
Life Expectancy:	90	80
Risk Profile	Pre-Retirement	Post-Retirement
RRSP/RRIF and Locked-In:	Moderate Growth	Moderate
Rate of Return:	5.00 %	3.50 %
Cash, TFSA and Corporate:	Moderate Growth	Moderate
Rate of Return:	5.00 %	3.50 %
Tax Efficiency:	40.00 %	20.00 %
Other Assumptions		
Inflation:	2.50 %	
Portfolio Return:	3.81 %	
Real Estate Index:	2.50 %	
Business Growth:	0.00 %	

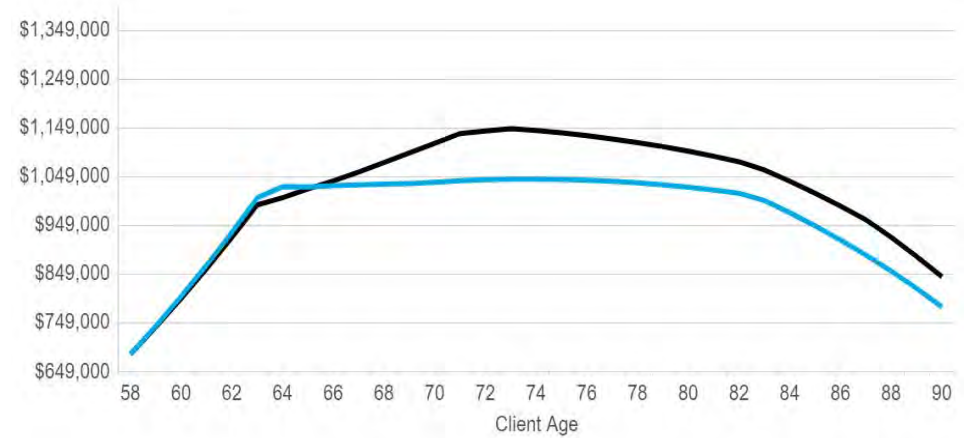


Estate Value



— Scenario 1 — Scenario 2

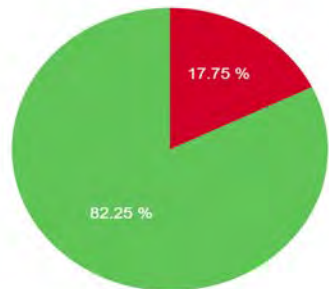
Estate Tax



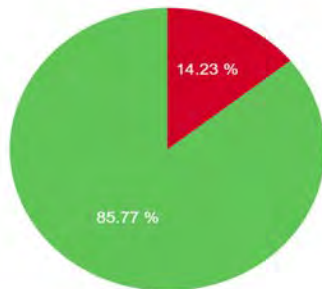
— Scenario 1 — Scenario 2

Estate Allocation

Scenario 1



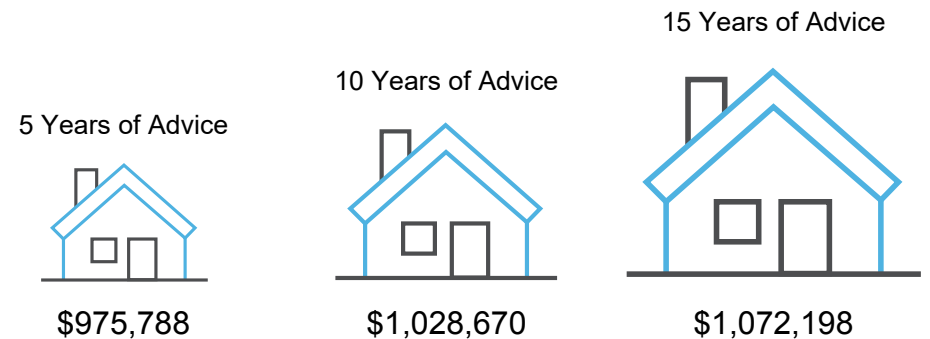
Scenario 2



■ Personal Estate Tax ■ Deferred Corporate Tax ■ After-Tax Estate Value

Value of Advice

Projected Increase in Estate Value



ESTATE VALUE

Charles Jordan & Ellen Jordan

Year	Client	Spouse	Scenario 1			Scenario 2			Change In Final Position		
			Net Worth	Deferred Taxes	Life Insurance	Net Worth	Deferred Taxes	Life Insurance	Net Worth	Deferred Taxes	Life Insurance
2019	59	57	\$4,433,577	(\$739,813)	\$0	\$4,429,208	(\$741,942)	\$1,000,000	(\$4,369)	(\$2,129)	\$1,000,000
2020	60	58	\$4,624,128	(\$798,173)	\$0	\$4,616,510	(\$802,782)	\$1,000,000	(\$7,618)	(\$4,608)	\$1,000,000
2021	61	59	\$4,822,172	(\$859,309)	\$0	\$4,812,504	(\$866,770)	\$1,000,000	(\$9,668)	(\$7,462)	\$1,000,000
2022	62	60	\$5,028,035	(\$923,355)	\$0	\$5,017,600	(\$934,067)	\$1,000,000	(\$10,435)	(\$10,711)	\$1,000,000
2023	63	61	\$5,242,054	(\$990,455)	\$0	\$5,232,224	(\$1,004,837)	\$1,000,000	(\$9,830)	(\$14,382)	\$1,000,000
2024	64	62	\$5,233,085	(\$1,005,197)	\$0	\$5,232,925	(\$1,027,611)	\$1,000,000	(\$160)	(\$22,413)	\$1,000,000
2025	65	63	\$5,290,322	(\$1,023,024)	\$0	\$5,281,134	(\$1,026,989)	\$1,000,000	(\$9,189)	(\$3,965)	\$1,000,000
2026	66	64	\$5,341,450	(\$1,039,588)	\$0	\$5,333,745	(\$1,029,779)	\$1,000,000	(\$7,706)	\$9,808	\$1,000,000
2027	67	65	\$5,398,499	(\$1,057,783)	\$0	\$5,388,229	(\$1,031,540)	\$1,000,000	(\$10,271)	\$26,243	\$1,000,000
2028	68	66	\$5,460,021	(\$1,077,271)	\$0	\$5,444,492	(\$1,033,072)	\$1,000,000	(\$15,529)	\$44,199	\$1,000,000
2029	69	67	\$5,522,036	(\$1,097,107)	\$0	\$5,501,622	(\$1,034,327)	\$1,000,000	(\$20,414)	\$62,779	\$1,000,000
2030	70	68	\$5,583,238	(\$1,116,986)	\$0	\$5,557,800	(\$1,036,637)	\$1,000,000	(\$25,437)	\$80,348	\$1,000,000
2031	71	69	\$5,643,589	(\$1,136,909)	\$0	\$5,612,978	(\$1,039,874)	\$1,000,000	(\$30,611)	\$97,036	\$1,000,000
2032	72	70	\$5,696,776	(\$1,142,151)	\$0	\$5,667,056	(\$1,042,124)	\$1,000,000	(\$29,720)	\$100,027	\$1,000,000
2033	73	71	\$5,751,311	(\$1,146,875)	\$0	\$5,719,934	(\$1,043,300)	\$1,000,000	(\$31,377)	\$103,575	\$1,000,000
2034	74	72	\$5,794,475	(\$1,143,044)	\$0	\$5,771,487	(\$1,043,288)	\$1,000,000	(\$22,988)	\$99,757	\$1,000,000
2035	75	73	\$5,835,215	(\$1,138,141)	\$0	\$5,821,617	(\$1,042,524)	\$1,000,000	(\$13,598)	\$95,617	\$1,000,000
2036	76	74	\$5,874,409	(\$1,132,358)	\$0	\$5,870,366	(\$1,041,006)	\$1,000,000	(\$4,044)	\$91,353	\$1,000,000
2037	77	75	\$5,912,240	(\$1,125,727)	\$0	\$5,917,665	(\$1,038,705)	\$1,000,000	\$5,426	\$87,022	\$1,000,000
2038	78	76	\$5,948,699	(\$1,118,235)	\$0	\$5,963,415	(\$1,035,589)	\$1,000,000	\$14,716	\$82,646	\$1,000,000
2039	79	77	\$5,983,727	(\$1,109,863)	\$0	\$6,007,505	(\$1,031,626)	\$1,000,000	\$23,778	\$78,237	\$1,000,000
2040	80	78	\$6,017,159	(\$1,100,506)	\$0	\$6,049,813	(\$1,026,737)	\$1,000,000	\$32,654	\$73,768	\$1,000,000
2041	81	79	\$6,048,995	(\$1,090,201)	\$0	\$6,090,207	(\$1,020,918)	\$1,000,000	\$41,212	\$69,283	\$1,000,000
2042	82	80	\$6,079,095	(\$1,078,864)	\$0	\$6,128,563	(\$1,014,099)	\$1,000,000	\$49,468	\$64,764	\$1,000,000
2043	83	81	\$6,089,070	(\$1,062,072)	\$0	\$6,135,062	(\$999,116)	\$1,000,000	\$45,992	\$62,956	\$1,000,000
2044	84	82	\$6,075,030	(\$1,038,890)	\$0	\$6,102,609	(\$974,263)	\$1,000,000	\$27,579	\$64,627	\$1,000,000
2045	85	83	\$6,056,683	(\$1,014,003)	\$0	\$6,063,164	(\$947,175)	\$1,000,000	\$6,481	\$66,827	\$1,000,000
2046	86	84	\$6,035,399	(\$987,735)	\$0	\$6,018,755	(\$918,336)	\$1,000,000	(\$16,644)	\$69,399	\$1,000,000
2047	87	85	\$6,010,438	(\$959,896)	\$0	\$5,968,159	(\$887,440)	\$1,000,000	(\$42,280)	\$72,457	\$1,000,000
2048	88	86	\$5,953,508	(\$923,653)	\$0	\$5,910,771	(\$854,309)	\$1,000,000	(\$42,737)	\$69,345	\$1,000,000
2049	89	87	\$5,887,479	(\$884,504)	\$0	\$5,846,166	(\$818,845)	\$1,000,000	(\$41,314)	\$65,659	\$1,000,000
2050	90	88	\$5,813,484	(\$842,691)	\$0	\$5,773,974	(\$780,937)	\$1,000,000	(\$39,510)	\$61,753	\$1,000,000

Summary

2044	84	82	\$6,075,030	(\$1,038,890)	\$0	\$6,102,609	(\$974,263)	\$1,000,000	\$27,579	\$64,627	\$1,000,000
2049	89	87	\$5,887,479	(\$884,504)	\$0	\$5,846,166	(\$818,845)	\$1,000,000	(\$41,314)	\$65,659	\$1,000,000

DISCLAIMER

Charles Jordan & Ellen Jordan

This financial analysis was prepared using personal and financial information provided by you. It is important that the information is as accurate as possible, as even small discrepancies in your personal and financial situation can have an impact on recommendations made.

Illustration Purposes Only: The values illustrated in this document are not guaranteed. They are based on numerous assumptions that are certain to change and are neither an estimate, nor a guarantee of future performance. Actual results will vary over the life of your plan and may differ from the provided example.

Planning Assumptions: Taxation Calculations and recommendations relating to income taxes are based on the Canadian Federal Income Tax Act and the Provincial Tax Rates in effect where you live at the time the plan was created. Since tax legislation is subject to change, the tax treatment of your assets is not guaranteed.

Professional Advice: This document was prepared solely as a general guide and is not intended to provide or replace professional, legal or tax advice. For your own specific situation, please consult your own tax and legal advisors.

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