

SAMPLE RETIREMENT PLAN

PREPARED WITH

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

FOR INFORMATION VISIT WWW.GOBEIL.CA

KAREN AND BILL SQUIRE

PROVINCE OF ONTARIO

AS AT JANUARY 1, 2008

PREPARED BY DAVID R. GOBEIL, CA, CFP

MARCH 18, 2008

March 18, 2008

Karen and William Squire
123 Main Street
Anywhere, Canada

Dear Karen and Bill,

Personal Financial Planner's Comments

This Retirement Plan has been prepared solely for your use in arranging your financial affairs to progress towards meeting your retirement objectives.

I have prepared this Retirement Plan, which includes projections of post-retirement incomes from information and assumptions supplied by you. The assumptions used are not certain to occur and other events not reflected in the assumptions may occur. If events do not occur as assumed, the actual results achieved may vary significantly from the projected outcome.

You will appreciate that tax-planning advice is based upon interpretation of the law including the general anti-avoidance rule and experience with the revenue authorities. Accordingly, the conclusions reached and views expressed are often matters of opinion, rather than certainty.

Yours very truly,

David

David Gobeil, CA, CFP

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2. Retirement Objectives
3. Assumptions About the Future
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Family

This retirement plan has been prepared for:

	Date of Birth	Age
Bill	January 12, 1960	48
Karen	May 31, 1961	47

1. Action Plan

The actions identified to meet your objectives are:

From Section #	Action	Implementation
4	Bill should make maximum RRSP contributions to a spousal RRSP	Bill by March 1 of each year
4	Karen should make maximum RRSP contributions to her RRSP	Karen by March 1 of each year
4	Consider the level of savings required and trade off with current expenditures	Bill & Karen to discuss by August 30

2. Retirement Objectives

The purpose of the retirement plan is to determine how you can use your financial resources to meet your retirement objectives which are:

- to accumulate the funds to retire in 2022 when Bill is 62 years of age; and
- to be able to maintain your standard of living as measured by lifestyle expenditures of \$100,000 per year in current dollars plus some inflation protection.

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3. Assumptions about the Future

The assumptions upon which the plan has been prepared are included in the following schedules:

**KAREN AND BILL SQUIRE
ASSUMPTIONS FOR RETIREMENT PLAN
AS AT JANUARY 1, 2008**

	BILL	KAREN
Ages and years		
Current age	48	47
Number of years before retirement	14	16
Age at retirement	62	63
Number of years over which savings will be used to provide for retirement	26	
Government pensions (in current dollars)		
Age at which CPP/QPP payments commence	65	65
CPP/QPP retirement benefits at that age	\$10,614	\$6,350
Old Age Security	\$6,000	\$6,000
Current Savings		
Tax-deferred savings in RRSPs	\$65,000	\$72,000
Investment return on RRSPs	8.00 %	8.00 %
Value of current RRSPs at first year of retirement	\$190,918	\$211,478
RRSP deduction limit for current year	\$28,900	\$12,500
Tax-Paid Capital		
Investment return until retirement - after-tax	5.00 %	5.00 %
Investment return after retirement - taxable	6.00 %	6.00 %
- non-taxable	2.00 %	2.00 %
Value of current savings at first year of retirement	\$277,190	\$49,498
Lifestyle Expenditures at retirement in current dollars		
Inflation expected-Consumer Price Index	3.00 %	
Inflation protection during retirement	3.00 %	
When Bill turns age		
80		
change the inflation protection to	1.00 %	
Current earned incomes		
Current earned income before tax	\$85,000	\$46,500
Annual increase in income expected	4.00 %	2.00 %
Projected income at first year of retirement	\$147,200	\$61,400

SALE OF HOME AFTER RETIREMENT

BILL

KAREN

It is assumed you sell your home in 2033, 25 years from now, and rent accommodation.

Year of sale of principal residence	2033	
Current value	\$185,000	
Annual rate of appreciation expected	4.00 %	
Proceeds of sale		
Percentage allocation of proceeds of sale	50.00 %	50.00 %
Dollar allocation of proceeds of sale	\$246,590	\$246,590
Change in lifestyle expenditures in the year of sale	\$50,000	

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SALE OF COTTAGE

BILL

KAREN

Twenty years ago, Bill inherited his father's cottage in Bill's name with an adjusted cost base (ACB) of \$26,508 and the cottage has a current fair market value of \$95,000. It is assumed you sell the cottage in 2033 for \$253,254. The sale will result in a taxable capital gain of about \$84,192, calculated as ((proceeds – ACB) × capital gains inclusion rate) or ((\$253,254 - \$13,524) × 50%).

Year of sale of property	2033	0
Current value of property	\$95,000	\$0
Annual rate of appreciation expected	4.00 %	0.00 %
Taxable capital gain (allowable loss)	\$120,000	\$0
Recapture of capital cost allowance (terminal loss)	\$0	\$0
Non-taxable capital gain (loss) upon sale	\$133,254	\$0
Proceeds of sale	\$253,254	\$0

PURCHASE OF PRESCRIBED ANNUITIES

BILL

KAREN

Year of purchase	2040	0
Cost of the prescribed annuity	\$60,000	\$0
Taxable amount of annuity paid annually	\$1,500	\$0
Non-taxable amount of annuity paid annually	\$6,000	\$0
Annual indexation of payments (if any)	0.00 %	0.00 %
Last year for payment if term annuity	2051	0

DEFINED-BENEFIT PENSION PLAN

BILL

KAREN

The following schedule includes the factors for Karen's pension plan, which will provide a pension of \$20,479 at retirement. It is assumed that you have a survivor's benefit for Bill.

Current pensionable earnings (PE)	\$0	\$45,000
Annual increase in PE expected	0.00 %	2.00 %
Years of service expected at retirement	0.00	28.00
Age at which to retire from plan membership	0	62
Pension benefit per year of service		
for earnings below the YMPE	0.00 %	1.30 %
for earnings above the YMPE	0.00 %	2.00 %
Number of years averaged for final PE	0	5
Average final pensionable earnings	\$0	\$57,093
Number of years averaged for final YMPE	0	3
Average final YMPE at retirement	\$0	\$74,439
Maximum annual pension income at retirement	\$0	\$20,782
Pension benefits taken as:	Pension	Pension

Option 1 - Purchase a pension:

Age at which pension payments commence	0	62
Maximum annual pension income at retirement	\$0	\$20,782
Annual pension with any survivor's benefits	\$0	\$20,479
Indexation of annual pension income (if any)	0.00 %	4.00 %

Option 2 - Transfer to Locked-In Retirement Account

Age at which to transfer the pension savings	0	0
Commuted value of the plan at this age	\$0	\$0
Amount to transfer to Locked-in Retirement Account	\$0	\$0
Amount to transfer to non-Locked-in RRSP	\$0	\$0

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DEFINED-CONTRIBUTION PENSION PLAN

BILL

KAREN

The following schedule includes the factors for Bill's pension plan. At retirement Bill will have about \$539,245. The funds can be transferred to a locked-in retirement account and an RRSP in order to give you the greatest flexibility in their use.

Current pensionable earnings (PE)	\$78,000	\$0
Annual increase in PE expected	4.00 %	0.00 %
Age at which to retire from plan membership	62	0
Current combined contribution rate	10.00 %	0.00 %
When employee reaches age	60	0
change the contribution rate to	15.00 %	0.00 %
Reduction in the contribution rate for PE up to the YMPE (if any)	3.60 %	0.00 %
Current savings in defined-contribution plan	\$92,000	\$0
Investment return on these savings	9.00 %	0.00 %
Projected savings at retirement from plan membership	\$539,245	\$0
Pension benefits taken as:	LIRA	LIRA

Option 1 - Purchase a pension:

Age at which annuity payments will begin	0	0
Total savings in the plan at this age	\$0	\$0
Amount of pension income per 1,000 of savings	\$0	\$0
Amount of pension income upon annuitization	\$0	\$0
Annual indexation of annuity payments (if any)	0.00 %	0.00 %

Option 2 - Transfer to Locked-In Retirement Account

Age at which to transfer the pension savings	62	0
Total savings in the plan at this age	\$539,245	\$0
Amount to transfer to Locked-in Retirement Account	\$405,000	\$0
Amount to transfer to non-Locked-in RRSP	\$134,245	\$0

LOCKED-IN RETIREMENT ACCOUNTS (LIRAs)

BILL

KAREN

Investment return on LIRAs, LIFs and LRIFs	8.00 %	8.00 %
Defined-contribution pension plan		
Age at which to transfer the pension savings	62	0
Amount to Locked-in Retirement Account	\$405,000	\$0
Savings in LIRA at earlier retirement date	\$405,000	\$0
Mature Locked-in Retirement Accounts as Life Income Fund or Locked-in Retirement Income Fund	LIF	LIF

Option 1 - Life Income Fund (LIF)

Interest rate for maximum withdrawal (CANSIM)	8.00 %	0.00 %
Age at which to start maximum withdrawal (if any)	65	0
Age at which to annuitize (if any)	81	0
Number of years over which to amortize savings	12	0
Amount of pension income per 1,000 of savings	\$127.69	\$0.00
Annual indexation of annuity payments (if any)	0.00 %	0.00 %

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Option 2- Locked-in Retirement Income Fund (LRIF)

Age at which to start maximum withdrawal (if any)	0	0
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OTHER PENSION INCOME

BILL

KAREN

Year for which pension payments commence	0	2023
Annual pension income at that time	\$0	\$6,500
Indexation of annual pension income (if any)	0.00 %	3.00 %
Last year for payment if applicable	0	2025

INCOME TAX CREDITS

BILL

KAREN

Disability tax credit	No	Yes
Age at which disability tax credit commences	0	63
Amount in current dollars for donations tax credit	\$500	
Indexation of amount for donations tax credit (if any)	2.00 %	

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4. Savings Plan for Retirement

Your saving plan for retirement is included in the following schedule, which shows your RRSP contribution room, your planned annual RRSP contributions and any additional savings that you plan to make on a regular basis.

You can deduct RRSP contributions from your taxable income even if the contribution is made to a spousal RRSP. Accordingly, the after-tax cost of accumulating the savings in RRSPs may be as little as 50% of the amount required.

**KAREN AND BILL SQUIRE
ANNUAL SAVINGS PLAN FOR BILL
AS AT JANUARY 1, 2008**

Year	Carry forward	New room	Own RRSP	Spousal RRSP	Tax-Paid Capital
2008	\$28,900		\$0	\$28,900	\$2,000
2009	0	\$9,109	0	9,109	2,020
2010	0	9,473	0	9,473	2,040
2011	0	9,851	0	9,851	2,061
2012	0	10,246	0	10,246	2,081
2013	0	10,656	0	10,656	2,102
2014	0	11,082	0	11,082	2,123
2015	0	11,525	0	11,525	2,144
2016	0	11,987	0	11,987	2,166
2017	0	12,466	0	12,466	2,187
2018	0	12,965	0	12,965	2,209
2019	0	13,483	0	13,483	2,231
2020	0	14,023	0	14,023	2,254
2021	0	8,339	0	8,339	2,276
Additional Savings			\$0	\$174,105	\$29,894
Value at Retirement			\$0	\$337,492	\$43,598

**KAREN AND BILL SQUIRE
ANNUAL SAVINGS PLAN FOR KAREN
AS AT JANUARY 1, 2008**

Year	Carry forward	New room	Own RRSP	Spousal RRSP	Tax-Paid Capital
2008	\$12,500		\$12,500	\$0	\$0
2009	0	\$3,685	3,685	0	0
2010	0	3,767	3,767	0	0
2011	0	3,830	3,830	0	0
2012	0	3,895	3,895	0	0
2013	0	3,961	3,961	0	0
2014	0	4,028	4,028	0	0
2015	0	4,097	4,097	0	0
2016	0	4,166	4,166	0	0
2017	0	4,238	4,238	0	0
2018	0	4,311	4,311	0	0
2019	0	4,385	4,385	0	0
2020	0	4,461	4,461	0	0
2021	0	4,538	4,538	0	0
Additional Savings			\$65,862	\$0	\$0
Value at Retirement			\$130,288	\$0	\$0

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The above savings plan was prepared based upon your RRSP contribution room and your ability to save for retirement. These amounts may be adequate to meet your retirement objectives. However, if not, the following schedule shows the additional savings required.

There are four alternative amounts of additional savings depending upon whether you accumulate the savings in an RRSP or not, and which partner. You do not have to accumulate all four amounts.

**KAREN AND BILL SQUIRE
RETIREMENT SAVINGS PLAN
AS AT JANUARY 1, 2008**

	BILL	KAREN
Annual Savings Plan		
Additional Savings in RRSPs at Retirement	\$0	\$467,780
Additional Tax-Paid Capital at Retirement	\$43,598	\$0

Scenario 1 - Additional Savings Required at Retirement to Avoid a Shortfall If the Amount is Saved in an RRSP	\$15,070	\$15,070
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Annual Savings Target for the Years Until Retirement		
As an Annual Fixed Amount *	\$576	\$576
As a Fixed % of Annual Income *	0.5%	1.1%
Amount to save on % basis in current year	\$463	\$518

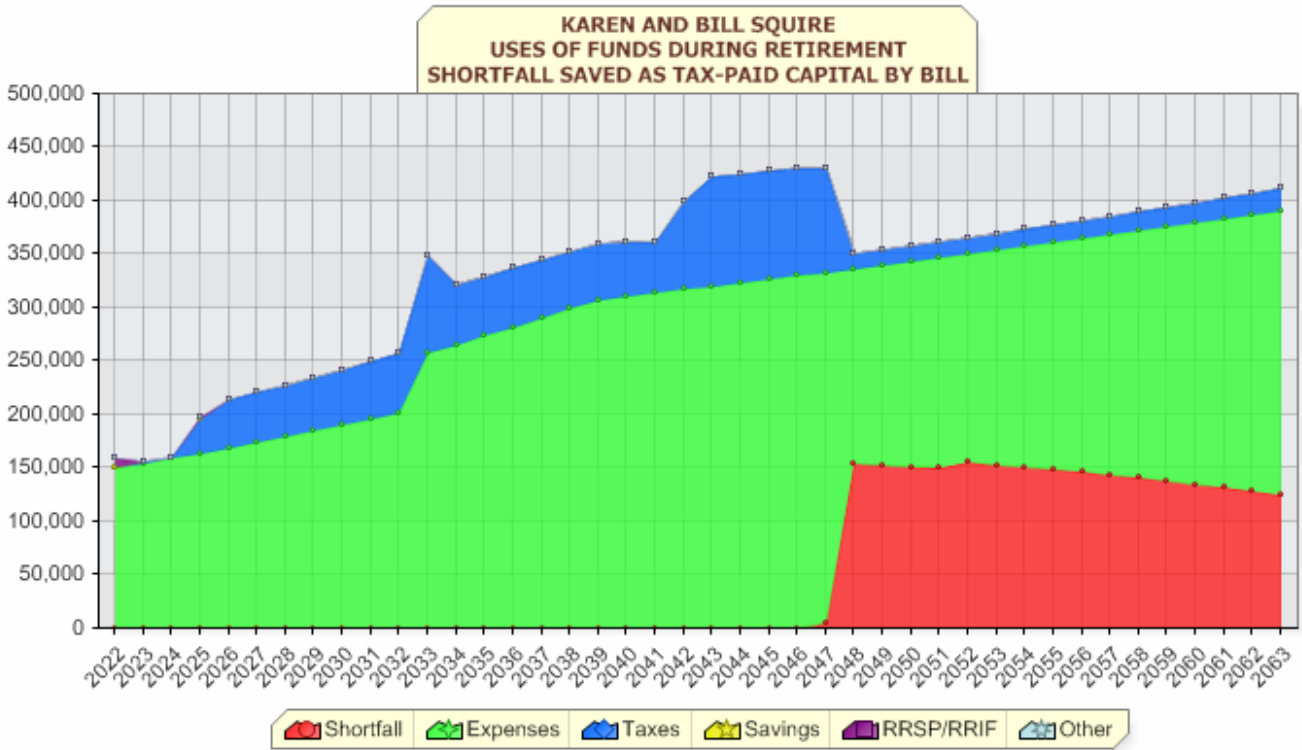
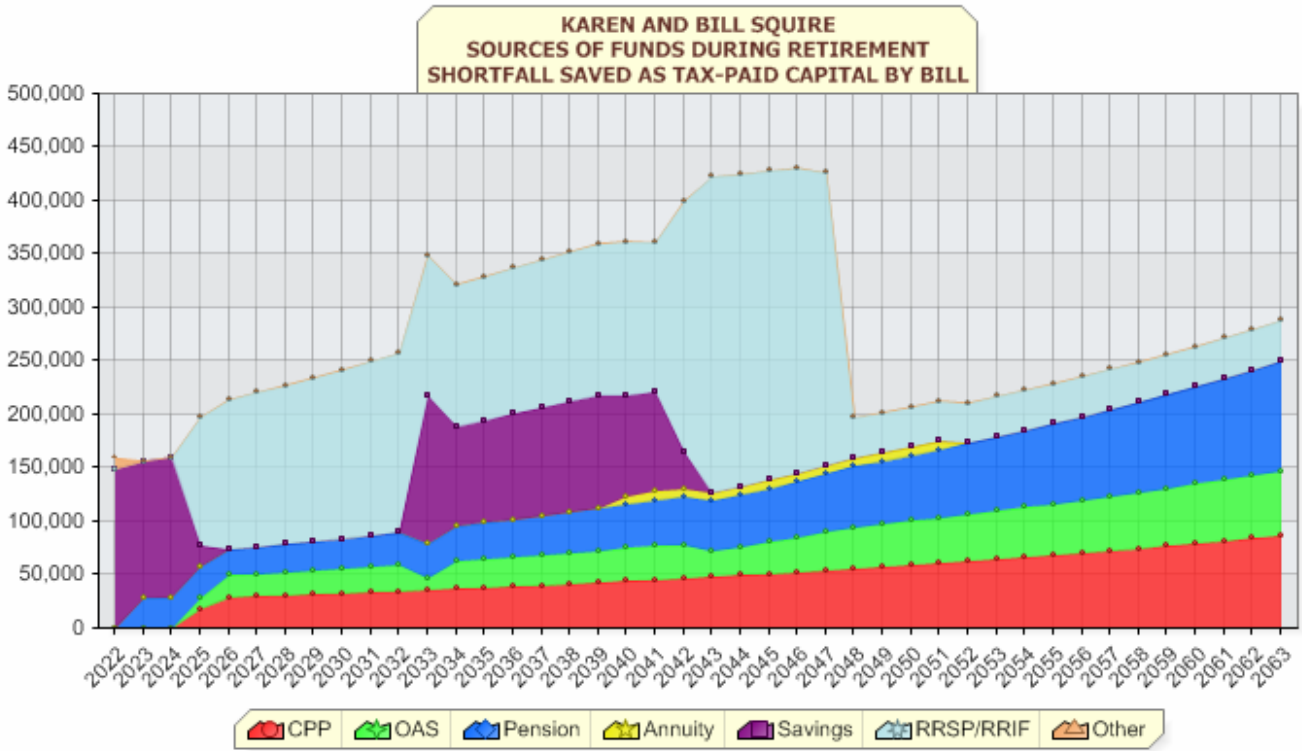
Scenario 2 - Additional Savings Required at Retirement to Avoid a Shortfall If Amount Saved as Tax-Paid Capital	\$8,995	\$8,995
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Annual Savings Target for the Years Until Retirement		
As an Annual Fixed Amount *	\$437	\$437
As a Fixed % of Annual Income *	0.4%	0.8%
Amount to save on % basis in current year	\$345	\$389

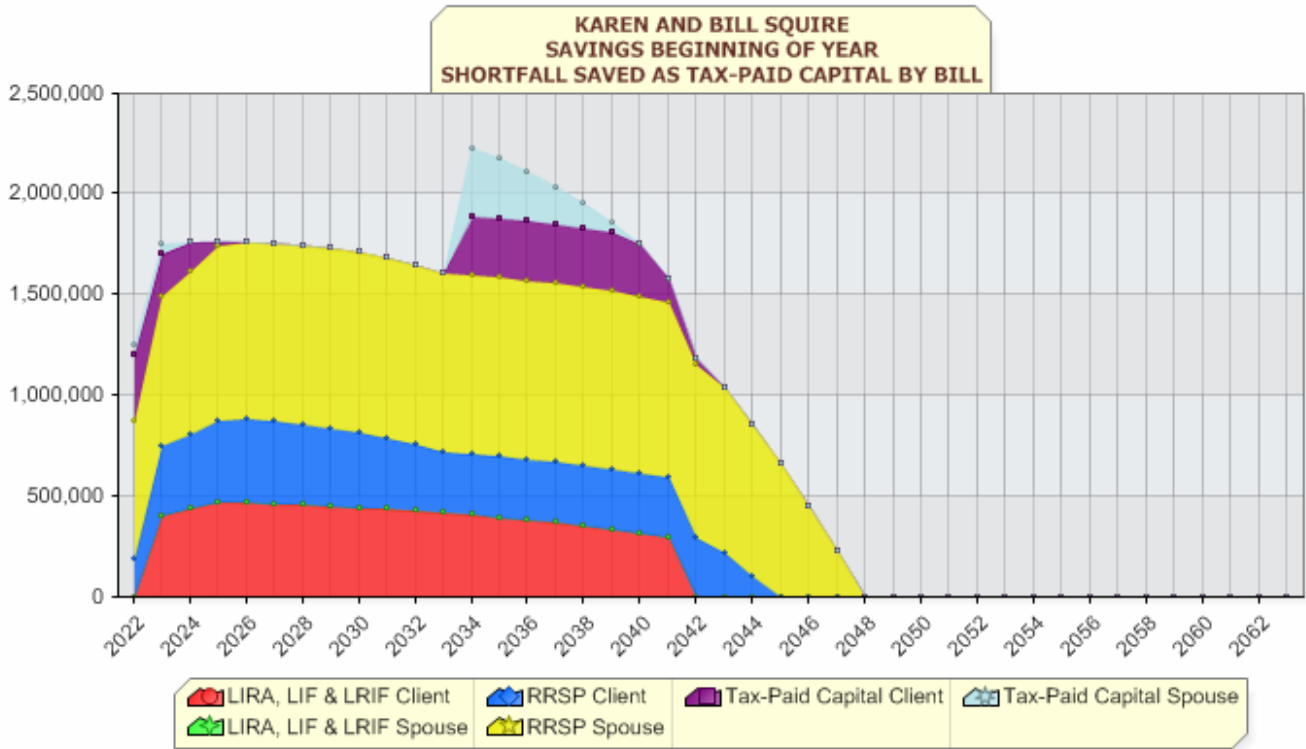
* At the start of each year from now until retirement and assuming principal and income are used to provide funds for retirement over a period of 26 years.

5. Income Projections

The following graphs present the sources and uses of funds during retirement, and the savings remaining at the start of each year.



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Post-retirement income projections based upon the assumptions in section 3 are included in the accompanying schedules. The target income is adjusted for the protection you require from inflation and the funds available indicate whether or not there is any shortage of income and savings.

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES BASED UPON
SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL
AS AT JANUARY 1, 2008**

Retirement Funds / Age	2022 62 & 61	2028 68 & 67	2034 74 & 73	2040 80 & 79	2046 86 & 85	2052 92 & 91
Employment & Business Income	\$10,000	\$0	\$0	\$0	\$0	\$0
Pension Incomes	0	25,912	32,788	41,487	52,494	66,422
Canada (Quebec) Pension Plan	0	30,637	36,581	43,679	52,155	62,276
Old Age Security	0	21,674	25,880	30,902	36,900	44,062
OAS Clawback	0	0	0	0	(4,652)	0
Minimum RRIF Withdrawal	0	0	90,353	100,038	46,335	0
Other Funds from RRSPs & RRIFs	0	107,518	0	0	201,738	0
Minimum LIF Withdrawal or Annuity	0	19,842	30,784	27,015	37,876	37,876
Other Funds from LIRAs & LIFs	0	21,583	11,644	16,687	0	0
Incomes from Other Savings	18,999	0	36,632	11,329	0	0
Capital Gains and Recapture of CCA	0	0	0	0	0	0
Taxable Annuity Incomes	0	0	0	1,500	1,500	0
Contributions to RRSPs	(9,058)	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
Taxable Income	19,941	227,166	264,662	272,637	424,346	210,636
Income Taxes	0	(48,362)	(56,441)	(51,368)	(100,975)	(15,564)
Capital from Other Savings	123,459	0	44,563	139,223	0	0
Non-taxable Annuity Incomes	0	0	0	6,000	6,000	0
Non-taxable Investment Income	6,345	0	12,215	3,790	0	0
Purchase and Sale of Assets	0	0	0	(60,000)	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
Retirement funds	\$149,745	\$178,804	\$264,999	\$310,282	\$329,371	\$195,072
Savings beginning of year						
RRSPs & RRIFs	\$870,176	\$1,288,808	\$1,190,414	\$1,172,780	\$448,548	\$0
LIRAs & Life Income Funds	0	456,366	405,585	316,708	0	0
Tax-Paid Capital	379,281	0	633,144	259,444	0	0
Total	\$1,249,457	\$1,745,174	\$2,229,143	\$1,748,932	\$448,548	\$0
Target retirement Income						
Retirement funds	\$149,745	\$178,804	\$264,999	\$310,282	\$329,371	\$195,072
After-Tax Shortfall	0	0	0	0	0	154,562
Total	\$149,745	\$178,804	\$264,999	\$310,282	\$329,371	\$349,634

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**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

AS AT JANUARY 1, 2008	2022	2023	2024	2025	2026	2027
Funds from Bill / Age	62	63	64	65	66	67
Employment & Business Income	\$5,000	\$0	\$0	\$0	\$0	\$0
Canada (Quebec) Pension Plan	0	0	0	17,543	18,069	18,611
Old Age Security	0	0	0	9,917	10,215	10,521
OAS Clawback	0	0	0	0	0	0
Minimum RRIF Withdrawal	0	0	0	0	0	0
Other Funds from RRSPs & RRIFs	0	0	0	20,440	37,361	39,720
Minimum LIF Withdrawal or Annuity	0	0	0	18,169	18,704	19,261
Excess withdrawal from LIF	0	0	0	22,806	22,418	22,010
Income from Tax-Paid Capital	16,029	10,462	4,810	557	0	0
Capital Gains and Recapture of CCA	0	0	0	0	0	0
Taxable Annuity Income	0	0	0	0	0	0
(Contributions to Spousal RRSP)	(9,058)	(900)	(900)	(900)	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	11,971	9,562	3,910	88,532	106,767	110,123
Pension Income Split with Spouse	0	9,850	12,468	0	0	0
Adjusted Taxable Income	11,971	19,412	16,378	88,532	106,767	110,123
Income Taxes	0	(419)	0	(17,089)	(23,826)	(24,695)
Tax-Paid Capital	123,459	63,001	124,495	18,827	0	0
Non-taxable Annuity Income	0	0	0	0	0	0
Non-taxable Investment Income	5,355	3,493	1,615	187	0	0
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$140,785	\$85,487	\$142,488	\$90,457	\$82,941	\$85,428
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Savings Beginning of Year						
RRSPs & RRIFs	\$190,918	\$345,702	\$373,358	\$403,226	\$414,242	\$408,554
LIRAs, LIFs & LRIFs	0	405,000	437,400	472,392	467,601	462,274
Tax-Paid Capital	329,783	206,324	143,323	18,827	0	0
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Funds from Karen / Age	61	62	63	64	65	66
Employment & Business Income	\$5,000	\$0	\$0	\$0	\$0	\$0
Pension Incomes	0	27,798	28,845	29,932	23,958	24,916
Canada (Quebec) Pension Plan	0	0	0	0	10,810	11,134
Old Age Security	0	0	0	0	10,215	10,521
OAS Clawback	0	0	0	0	0	0
Minimum RRIF Withdrawal	0	0	0	0	0	0
Other Funds from RRSPs & RRIFs	0	0	0	58,600	61,784	63,552
Income from Tax-Paid Capital	2,970	1,463	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	7,970	29,261	28,845	88,532	106,767	110,123
Pension Income Split with Spouse	0	(9,850)	(12,468)	0	0	0
Adjusted Taxable Income	7,970	19,411	16,377	88,532	106,767	110,123
Income Taxes	0	(651)	0	(15,357)	(21,167)	(21,955)
Tax-Paid Capital	0	49,498	0	0	0	0
Non-taxable Investment Income	990	493	0	0	0	0
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$8,960	\$68,751	\$16,377	\$73,175	\$85,600	\$88,168
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Savings Beginning of Year						
RRSPs & RRIFs	\$679,258	\$743,012	\$803,388	\$868,594	\$878,118	\$884,160
LIRAs, LIFs & LRIFs	0	0	0	0	0	0
Tax-Paid Capital	49,498	49,498	0	0	0	0
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Retirement Funds from Bill	\$140,785	\$85,487	\$142,488	\$90,457	\$82,941	\$85,428
Retirement Funds from Karen	8,960	68,751	16,377	73,175	85,600	88,168
After-Tax Shortfall	0	0	0	0	0	0
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Target Retirement Income	\$149,745	\$154,238	\$158,865	\$163,632	\$168,541	\$173,596

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**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

Income Taxes for Bill / Age	62	63	64	65	66	67
Taxable Income	\$11,971	\$9,562	\$3,910	\$88,532	\$106,767	\$110,123
Pension Income Split with Spouse	0	9,850	12,468	0	0	0
Adjusted Taxable Income	\$11,971	\$19,412	\$16,378	\$88,532	\$106,767	\$110,123
Federal Tax on Taxable Income	\$1,796	\$2,912	\$2,457	\$15,094	\$18,974	\$19,577
Personal Tax Credit	(2,178)	(2,243)	(2,311)	(2,380)	(2,452)	(2,525)
Spousal Tax Credit	(983)	0	0	0	0	0
Age Tax Credit Allowed	0	0	0	(488)	(153)	(154)
Pension Income Tax Credit	0	(300)	(300)	(300)	(300)	(300)
Donations Tax Credit	(163)	(167)	(171)	(175)	(179)	(183)
Total Federal Tax	0	202	0	11,751	15,890	16,415
Provincial Tax on Taxable Income	724	1,174	991	6,256	7,869	8,119
Provincial Personal Tax Credit	(794)	(818)	(843)	(868)	(894)	(921)
Provincial Spousal Tax Credit	(260)	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	0	0	(104)	0	0
Provincial Pension Income Tax Credit	0	(74)	(74)	(74)	(74)	(74)
Provincial Donations tax credit	(63)	(65)	(66)	(68)	(69)	(71)
Tax Credits Transferred between Spouses	63	0	(622)	0	0	0
Basic Provincial Tax	0	217	0	5,142	6,832	7,053
First Provincial Surtax	0	0	0	196	534	578
Second Provincial Surtax	0	0	0	0	570	649
Total Provincial Tax	0	217	0	5,338	7,936	8,280
Total Income Tax	\$0	\$419	\$0	\$17,089	\$23,826	\$24,695
Income Taxes for Karen / Age	61	62	63	64	65	66
Taxable Income	\$7,970	\$29,261	\$28,845	\$88,532	\$106,767	\$110,123
Pension Income Split with Spouse	0	(9,850)	(12,468)	0	0	0
Adjusted Taxable Income	\$7,970	\$19,411	\$16,377	\$88,532	\$106,767	\$110,123
Federal Tax on Taxable Income	\$1,196	\$2,912	\$2,457	\$15,094	\$18,974	\$19,577
Personal Tax Credit	(2,178)	(2,243)	(2,311)	(2,380)	(2,452)	(2,525)
Spousal Tax Credit	(382)	0	0	0	0	0
Age Tax Credit Allowed	0	0	0	0	(153)	(154)
Pension Income Tax Credit	0	(300)	(300)	(300)	(300)	(300)
Disability Tax Credit	0	0	(1,690)	(1,741)	(1,793)	(1,847)
Tax Credits Transferred between Spouses	(163)	0	0	0	0	0
Total Federal Tax	0	369	0	10,673	14,276	14,751
Provincial Tax on Taxable Income	482	1,174	991	6,256	7,869	8,119
Provincial Personal Tax Credit	(794)	(818)	(843)	(868)	(894)	(921)
Provincial Spousal Tax Credit	(18)	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	0	0	0	0	0
Provincial Pension Income Tax Credit	0	(74)	(74)	(74)	(74)	(74)
Provincial Disability tax credit	0	0	(696)	(717)	(739)	(761)
Tax Credits Transferred between Spouses	(63)	0	622	0	0	0
Basic Provincial Tax	0	282	0	4,597	6,162	6,363
First Provincial Surtax	0	0	0	87	400	440
Second Provincial Surtax	0	0	0	0	329	401
Total Provincial Tax	0	282	0	4,684	6,891	7,204
Total Income Tax	\$0	\$651	\$0	\$15,357	\$21,167	\$21,955

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

AS AT JANUARY 1, 2008	2028	2029	2030	2031	2032	2033
Funds from Bill / Age	68	69	70	71	72	73
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Canada (Quebec) Pension Plan	19,169	19,744	20,336	20,946	21,574	22,221
Old Age Security	10,837	11,162	11,497	11,842	12,197	12,563
OAS Clawback	0	0	0	0	0	(9,093)
Minimum RRIF Withdrawal	0	0	0	17,676	24,350	22,562
Other Funds from RRSPs & RRIFs	42,152	44,657	47,243	32,227	28,291	0
Minimum LIF Withdrawal or Annuity	19,842	20,447	21,076	21,731	31,428	31,131
Excess withdrawal from LIF	21,583	21,134	20,664	20,173	10,646	11,116
Income from Tax-Paid Capital	0	0	0	0	0	8,938
Capital Gains and Recapture of CCA	0	0	0	0	0	120,000
Taxable Annuity Income	0	0	0	0	0	0
(Contributions to Spousal RRSP)	0	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
<hr/>						
Taxable Income	113,583	117,144	120,816	124,595	128,486	219,438
Pension Income Split with Spouse	0	0	0	0	0	(32,405)
Adjusted Taxable Income	113,583	117,144	120,816	124,595	128,486	187,033
Income Taxes	(25,593)	(26,515)	(27,470)	(28,448)	(29,457)	(52,711)
Tax-Paid Capital	0	0	0	0	0	(293,667)
Non-taxable Annuity Income	0	0	0	0	0	0
Non-taxable Investment Income	0	0	0	0	0	2,951
Purchase and Sale of Assets	0	0	0	0	0	379,844
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$87,990	\$90,629	\$93,346	\$96,147	\$99,029	\$223,450
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Savings Beginning of Year						
RRSPs & RRIFs	\$399,960	\$388,151	\$372,794	\$353,521	\$329,941	\$301,630
LIRAs, LIFs & LRIFs	456,366	449,825	442,599	434,629	425,851	416,194
Tax-Paid Capital	0	0	0	0	0	0
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Funds from Karen / Age	67	68	69	70	71	72
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Pension Incomes	25,912	26,949	28,027	29,148	30,314	31,526
Canada (Quebec) Pension Plan	11,468	11,812	12,166	12,531	12,907	13,294
Old Age Security	10,837	11,162	11,497	11,842	12,197	12,563
OAS Clawback	0	0	0	0	0	(4,634)
Minimum RRIF Withdrawal	0	0	0	0	65,739	66,280
Other Funds from RRSPs & RRIFs	65,366	67,221	69,126	71,074	7,329	0
Income from Tax-Paid Capital	0	0	0	0	0	10,333
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
<hr/>						
Taxable Income	113,583	117,144	120,816	124,595	128,486	129,362
Pension Income Split with Spouse	0	0	0	0	0	32,405
Adjusted Taxable Income	113,583	117,144	120,816	124,595	128,486	161,767
Income Taxes	(22,769)	(23,605)	(24,470)	(25,358)	(26,269)	(38,459)
Tax-Paid Capital	0	0	0	0	0	(339,477)
Non-taxable Investment Income	0	0	0	0	0	3,412
Purchase and Sale of Assets	0	0	0	0	0	246,590
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$90,814	\$93,539	\$96,346	\$99,237	\$102,217	\$33,833
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Savings Beginning of Year						
RRSPs & RRIFs	\$888,848	\$892,026	\$893,530	\$893,175	\$890,767	\$886,094
LIRAs, LIFs & LRIFs	0	0	0	0	0	0
Tax-Paid Capital	0	0	0	0	0	0
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Retirement Funds from Bill	\$87,990	\$90,629	\$93,346	\$96,147	\$99,029	\$223,450
Retirement Funds from Karen	90,814	93,539	96,346	99,237	102,217	33,833
After-Tax Shortfall	0	0	0	0	0	0
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Target Retirement Income	\$178,804	\$184,168	\$189,692	\$195,384	\$201,246	\$257,283

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

Income Taxes for Bill / Age	68	69	70	71	72	73
Taxable Income	\$113,583	\$117,144	\$120,816	\$124,595	\$128,486	\$219,438
Pension Income Split with Spouse	0	0	0	0	0	(32,405)
Adjusted Taxable Income	\$113,583	\$117,144	\$120,816	\$124,595	\$128,486	\$187,033
Federal Tax on Taxable Income	\$20,199	\$20,838	\$21,498	\$22,177	\$22,876	\$36,730
Personal Tax Credit	(2,601)	(2,679)	(2,759)	(2,842)	(2,927)	(3,015)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	(155)	(156)	(157)	(158)	(160)	0
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Donations Tax Credit	(187)	(192)	(196)	(201)	(205)	(210)
Total Federal Tax	16,956	17,511	18,086	18,676	19,284	33,205
Provincial Tax on Taxable Income	8,377	8,642	8,916	9,198	9,488	15,504
Provincial Personal Tax Credit	(949)	(977)	(1,006)	(1,037)	(1,068)	(1,100)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	0	0	0	0	0
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Donations tax credit	(73)	(74)	(76)	(78)	(80)	(81)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	7,281	7,517	7,760	8,009	8,266	14,249
First Provincial Surtax	624	671	720	769	821	2,017
Second Provincial Surtax	732	816	904	994	1,086	3,240
Total Provincial Tax	8,637	9,004	9,384	9,772	10,173	19,506
Total Income Tax	\$25,593	\$26,515	\$27,470	\$28,448	\$29,457	\$52,711
Income Taxes for Karen / Age	67	68	69	70	71	72
Taxable Income	\$113,583	\$117,144	\$120,816	\$124,595	\$128,486	\$129,362
Pension Income Split with Spouse	0	0	0	0	0	32,405
Adjusted Taxable Income	\$113,583	\$117,144	\$120,816	\$124,595	\$128,486	\$161,767
Federal Tax on Taxable Income	\$20,199	\$20,838	\$21,498	\$22,177	\$22,876	\$30,161
Personal Tax Credit	(2,601)	(2,679)	(2,759)	(2,842)	(2,927)	(3,015)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	(155)	(156)	(157)	(158)	(160)	0
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Disability Tax Credit	(1,902)	(1,959)	(2,018)	(2,078)	(2,141)	(2,205)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Total Federal Tax	15,241	15,744	16,264	16,799	17,348	24,641
Provincial Tax on Taxable Income	8,377	8,642	8,916	9,198	9,488	12,685
Provincial Personal Tax Credit	(949)	(977)	(1,006)	(1,037)	(1,068)	(1,100)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	0	0	0	0	0
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Disability tax credit	(784)	(807)	(831)	(856)	(882)	(908)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	6,570	6,784	7,005	7,231	7,464	10,603
First Provincial Surtax	482	524	569	614	660	1,288
Second Provincial Surtax	476	553	632	714	797	1,927
Total Provincial Tax	7,528	7,861	8,206	8,559	8,921	13,818
Total Income Tax	\$22,769	\$23,605	\$24,470	\$25,358	\$26,269	\$38,459

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

AS AT JANUARY 1, 2008	2034	2035	2036	2037	2038	2039
Funds from Bill / Age	74	75	76	77	78	79
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Canada (Quebec) Pension Plan	22,888	23,575	24,282	25,010	25,760	26,533
Old Age Security	12,940	13,328	13,728	14,140	14,564	15,001
OAS Clawback	0	0	0	0	0	0
Minimum RRIF Withdrawal	22,946	23,334	23,755	24,141	24,549	24,974
Other Funds from RRSPs & RRIFs	0	0	0	0	0	0
Minimum LIF Withdrawal or Annuity	30,784	30,373	29,922	29,337	28,675	27,911
Excess withdrawal from LIF	11,644	12,242	12,888	13,677	14,554	15,547
Income from Tax-Paid Capital	17,620	17,620	17,620	17,620	17,620	16,578
Capital Gains and Recapture of CCA	0	0	0	0	0	0
Taxable Annuity Income	0	0	0	0	0	0
(Contributions to Spousal RRSP)	0	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
<hr/>						
Taxable Income	118,822	120,472	122,195	123,925	125,722	126,544
Pension Income Split with Spouse	13,509	12,875	12,091	11,077	9,873	9,496
Adjusted Taxable Income	132,331	133,347	134,286	135,002	135,595	136,040
Income Taxes	(29,914)	(29,755)	(29,521)	(29,182)	(28,772)	(28,285)
Tax-Paid Capital	0	0	0	0	0	34,224
Non-taxable Annuity Income	0	0	0	0	0	0
Non-taxable Investment Income	5,873	5,873	5,873	5,873	5,873	5,529
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$108,290	\$109,465	\$110,638	\$111,693	\$112,696	\$147,508
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Savings Beginning of Year						
RRSPs & RRIFs	\$302,313	\$302,651	\$302,613	\$302,135	\$301,217	\$299,802
LIRAs, LIFs & LRIFs	405,585	393,939	381,167	367,171	351,843	335,066
Tax-Paid Capital	293,667	293,667	293,667	293,667	293,667	293,667
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Funds from Karen / Age	73	74	75	76	77	78
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Pension Incomes	32,788	34,099	35,463	36,882	38,357	39,891
Canada (Quebec) Pension Plan	13,693	14,104	14,527	14,963	15,412	15,874
Old Age Security	12,940	13,328	13,728	14,140	14,564	15,001
OAS Clawback	0	0	0	0	0	0
Minimum RRIF Withdrawal	67,407	68,549	69,786	70,918	72,118	73,365
Other Funds from RRSPs & RRIFs	0	0	0	0	0	0
Income from Tax-Paid Capital	19,012	16,142	12,873	9,176	5,017	1,405
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	145,840	146,222	146,377	146,079	145,468	145,536
Pension Income Split with Spouse	(13,509)	(12,875)	(12,091)	(11,077)	(9,873)	(9,496)
Adjusted Taxable Income	132,331	133,347	134,286	135,002	135,595	136,040
Income Taxes	(26,527)	(26,264)	(25,922)	(25,472)	(24,950)	(24,345)
Tax-Paid Capital	44,563	51,016	57,841	65,284	73,241	47,532
Non-taxable Investment Income	6,342	5,386	4,297	3,065	1,679	473
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$156,709	\$163,485	\$170,502	\$177,879	\$185,565	\$159,700
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Savings Beginning of Year						
RRSPs & RRIFs	\$888,101	\$889,098	\$888,988	\$887,583	\$884,889	\$880,733
LIRAs, LIFs & LRIFs	0	0	0	0	0	0
Tax-Paid Capital	339,477	294,913	243,898	186,057	120,773	47,532
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Retirement Funds from Bill	\$108,290	\$109,465	\$110,638	\$111,693	\$112,696	\$147,508
Retirement Funds from Karen	156,709	163,485	170,502	177,879	185,565	159,700
After-Tax Shortfall	0	0	0	0	0	0
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Target Retirement Income	\$264,999	\$272,950	\$281,140	\$289,572	\$298,261	\$307,208

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

Income Taxes for Bill / Age	74	75	76	77	78	79
Taxable Income	\$118,822	\$120,472	\$122,195	\$123,925	\$125,722	\$126,544
Pension Income Split with Spouse	13,509	12,875	12,091	11,077	9,873	9,496
Adjusted Taxable Income	\$132,331	\$133,347	\$134,286	\$135,002	\$135,595	\$136,040
Federal Tax on Taxable Income	\$23,394	\$23,446	\$23,475	\$23,451	\$23,394	\$23,299
Personal Tax Credit	(3,105)	(3,199)	(3,295)	(3,393)	(3,495)	(3,600)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	(259)	(333)	(412)	(499)	(592)	(691)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Donations Tax Credit	(215)	(219)	(224)	(229)	(235)	(240)
Total Federal Tax	19,515	19,395	19,244	19,030	18,772	18,468
Provincial Tax on Taxable Income	9,701	9,722	9,734	9,723	9,698	9,657
Provincial Personal Tax Credit	(1,133)	(1,167)	(1,202)	(1,238)	(1,275)	(1,313)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	(10)	(38)	(69)	(103)	(139)
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Donations tax credit	(83)	(85)	(87)	(89)	(91)	(93)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	8,411	8,386	8,333	8,253	8,155	8,038
First Provincial Surtax	850	845	834	818	799	775
Second Provincial Surtax	1,138	1,129	1,110	1,081	1,046	1,004
Total Provincial Tax	10,399	10,360	10,277	10,152	10,000	9,817
Total Income Tax	\$29,914	\$29,755	\$29,521	\$29,182	\$28,772	\$28,285
Income Taxes for Karen / Age	73	74	75	76	77	78
Taxable Income	\$145,840	\$146,222	\$146,377	\$146,079	\$145,468	\$145,536
Pension Income Split with Spouse	(13,509)	(12,875)	(12,091)	(11,077)	(9,873)	(9,496)
Adjusted Taxable Income	\$132,331	\$133,347	\$134,286	\$135,002	\$135,595	\$136,040
Federal Tax on Taxable Income	\$23,394	\$23,446	\$23,475	\$23,451	\$23,394	\$23,299
Personal Tax Credit	(3,105)	(3,199)	(3,295)	(3,393)	(3,495)	(3,600)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	(259)	(333)	(412)	(499)	(592)	(691)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Disability Tax Credit	(2,271)	(2,339)	(2,410)	(2,482)	(2,556)	(2,633)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Total Federal Tax	17,459	17,275	17,058	16,777	16,451	16,075
Provincial Tax on Taxable Income	9,701	9,722	9,734	9,723	9,698	9,657
Provincial Personal Tax Credit	(1,133)	(1,167)	(1,202)	(1,238)	(1,275)	(1,313)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	(10)	(38)	(69)	(103)	(139)
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Disability tax credit	(936)	(964)	(993)	(1,023)	(1,053)	(1,085)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	7,558	7,507	7,427	7,319	7,193	7,046
First Provincial Surtax	679	669	653	631	606	577
Second Provincial Surtax	831	813	784	745	700	647
Total Provincial Tax	9,068	8,989	8,864	8,695	8,499	8,270
Total Income Tax	\$26,527	\$26,264	\$25,922	\$25,472	\$24,950	\$24,345

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

AS AT JANUARY 1, 2008	2040	2041	2042	2043	2044	2045
Funds from Bill / Age	80	81	82	83	84	85
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Canada (Quebec) Pension Plan	27,329	28,149	28,993	29,863	30,759	31,682
Old Age Security	15,451	15,915	16,392	16,884	17,391	17,913
OAS Clawback	0	0	(560)	(4,557)	(3,821)	(3,085)
Minimum RRIF Withdrawal	25,405	25,835	26,253	20,105	9,859	0
Other Funds from RRSPs & RRIFs	0	0	68,535	106,258	97,090	0
Minimum LIF Withdrawal or Annuity	27,015	37,876	37,876	37,876	37,876	37,876
Excess withdrawal from LIF	16,687	0	0	0	0	0
Income from Tax-Paid Capital	11,329	4,557	975	0	0	0
Capital Gains and Recapture of CCA	0	0	0	0	0	0
Taxable Annuity Income	1,500	1,500	1,500	1,500	1,500	1,500
(Contributions to Spousal RRSP)	0	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	124,716	113,832	179,964	207,929	190,654	85,886
Pension Income Split with Spouse	11,603	18,983	0	0	18,546	124,790
Adjusted Taxable Income	136,319	132,815	179,964	207,929	209,200	210,676
Income Taxes	(27,715)	(25,608)	(43,509)	(53,312)	(53,050)	(52,984)
Tax-Paid Capital	139,223	87,256	32,965	0	0	0
Non-taxable Annuity Income	6,000	6,000	6,000	6,000	6,000	6,000
Non-taxable Investment Income	3,790	1,528	328	0	0	0
Purchase and Sale of Assets	(60,000)	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$197,617	\$201,991	\$175,748	\$160,617	\$162,150	\$163,692
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Savings Beginning of Year						
RRSPs & RRIFs	\$297,832	\$295,256	\$292,027	\$216,882	\$102,912	\$0
LIRAs, LIFs & LRIFs	316,708	296,628	0	0	0	0
Tax-Paid Capital	259,444	120,220	32,965	0	0	0
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Funds from Karen / Age	79	80	81	82	83	84
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Pension Incomes	41,487	43,146	44,872	46,667	48,534	50,475
Canada (Quebec) Pension Plan	16,350	16,841	17,346	17,866	18,402	18,954
Old Age Security	15,451	15,915	16,392	16,884	17,391	17,913
OAS Clawback	0	0	(560)	(4,557)	(3,821)	(3,085)
Minimum RRIF Withdrawal	74,633	75,896	77,125	76,071	71,856	65,245
Other Funds from RRSPs & RRIFs	0	0	24,789	54,998	75,383	185,964
Income from Tax-Paid Capital	0	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	147,921	151,798	179,964	207,929	227,745	335,466
Pension Income Split with Spouse	(11,603)	(18,983)	0	0	(18,546)	(124,790)
Adjusted Taxable Income	136,318	132,815	179,964	207,929	209,199	210,676
Income Taxes	(23,653)	(21,421)	(39,193)	(48,863)	(48,465)	(48,259)
Tax-Paid Capital	0	0	0	0	0	0
Non-taxable Investment Income	0	0	0	0	0	0
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$112,665	\$111,394	\$140,771	\$159,066	\$160,734	\$162,417
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Savings Beginning of Year						
RRSPs & RRIFs	\$874,948	\$867,383	\$857,900	\$820,620	\$750,059	\$657,048
LIRAs, LIFs & LRIFs	0	0	0	0	0	0
Tax-Paid Capital	0	0	0	0	0	0
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Retirement Funds from Bill	\$197,617	\$201,991	\$175,748	\$160,617	\$162,150	\$163,692
Retirement Funds from Karen	112,665	111,394	140,771	159,066	160,734	162,417
After-Tax Shortfall	0	0	0	0	0	0
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Target Retirement Income	\$310,282	\$313,385	\$316,519	\$319,683	\$322,884	\$326,109

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

Income Taxes for Bill / Age	80	81	82	83	84	85
Taxable Income	\$124,716	\$113,832	\$179,964	\$207,929	\$190,654	\$85,886
Pension Income Split with Spouse	11,603	18,983	0	0	18,546	124,790
Adjusted Taxable Income	\$136,319	\$132,815	\$179,964	\$207,929	\$209,200	\$210,676
Federal Tax on Taxable Income	\$23,161	\$22,185	\$32,347	\$38,282	\$38,338	\$38,432
Personal Tax Credit	(3,708)	(3,819)	(3,934)	(4,052)	(4,174)	(4,299)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	(797)	(992)	(50)	0	0	0
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Donations Tax Credit	(245)	(251)	(256)	(262)	(268)	(274)
Total Federal Tax	18,111	16,823	27,807	33,668	33,596	33,559
Provincial Tax on Taxable Income	9,599	9,192	13,418	15,990	15,915	15,945
Provincial Personal Tax Credit	(1,352)	(1,393)	(1,435)	(1,478)	(1,522)	(1,568)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	(177)	(252)	0	0	0	0
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Donations tax credit	(95)	(97)	(99)	(101)	(104)	(106)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	7,901	7,376	11,810	14,337	14,215	14,197
First Provincial Surtax	748	643	1,530	2,035	2,011	2,007
Second Provincial Surtax	955	766	2,362	3,272	3,228	3,221
Total Provincial Tax	9,604	8,785	15,702	19,644	19,454	19,425
Total Income Tax	\$27,715	\$25,608	\$43,509	\$53,312	\$53,050	\$52,984
Income Taxes for Karen / Age	79	80	81	82	83	84
Taxable Income	\$147,921	\$151,798	\$179,964	\$207,929	\$227,745	\$335,466
Pension Income Split with Spouse	(11,603)	(18,983)	0	0	(18,546)	(124,790)
Adjusted Taxable Income	\$136,318	\$132,815	\$179,964	\$207,929	\$209,199	\$210,676
Federal Tax on Taxable Income	\$23,161	\$22,185	\$32,347	\$38,282	\$38,338	\$38,432
Personal Tax Credit	(3,708)	(3,819)	(3,934)	(4,052)	(4,174)	(4,299)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	(797)	(992)	(50)	0	0	0
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Disability Tax Credit	(2,712)	(2,793)	(2,877)	(2,963)	(3,052)	(3,144)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Total Federal Tax	15,644	14,281	25,186	30,967	30,812	30,689
Provincial Tax on Taxable Income	9,599	9,192	13,418	15,990	15,915	15,945
Provincial Personal Tax Credit	(1,352)	(1,393)	(1,435)	(1,478)	(1,522)	(1,568)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	(177)	(252)	0	0	0	0
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Disability tax credit	(1,117)	(1,151)	(1,185)	(1,221)	(1,258)	(1,295)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	6,879	6,322	10,724	13,217	13,061	13,008
First Provincial Surtax	543	432	1,312	1,811	1,780	1,769
Second Provincial Surtax	587	386	1,971	2,868	2,812	2,793
Total Provincial Tax	8,009	7,140	14,007	17,896	17,653	17,570
Total Income Tax	\$23,653	\$21,421	\$39,193	\$48,863	\$48,465	\$48,259

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

AS AT JANUARY 1, 2008	2046	2047	2048	2049	2050	2051
Funds from Bill / Age	86	87	88	89	90	91
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Canada (Quebec) Pension Plan	32,632	33,611	34,619	35,658	36,728	37,830
Old Age Security	18,450	19,004	19,574	20,161	20,766	21,389
OAS Clawback	(2,326)	(836)	0	0	0	0
Minimum RRIF Withdrawal	0	0	0	0	0	0
Other Funds from RRSPs & RRIFs	0	0	0	0	0	0
Minimum LIF Withdrawal or Annuity	37,876	37,876	37,876	37,876	37,876	37,876
Excess withdrawal from LIF	0	0	0	0	0	0
Income from Tax-Paid Capital	0	0	0	0	0	0
Capital Gains and Recapture of CCA	0	0	0	0	0	0
Taxable Annuity Income	1,500	1,500	1,500	1,500	1,500	1,500
(Contributions to Spousal RRSP)	0	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	88,132	91,155	93,569	95,195	96,870	98,595
Pension Income Split with Spouse	124,041	118,617	1,747	2,674	3,640	4,647
Adjusted Taxable Income	212,173	209,772	95,316	97,869	100,510	103,242
Income Taxes	(52,923)	(51,396)	(9,456)	(9,689)	(9,933)	(10,185)
Tax-Paid Capital	0	0	0	0	0	0
Non-taxable Annuity Income	6,000	6,000	6,000	6,000	6,000	6,000
Non-taxable Investment Income	0	0	0	0	0	0
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$165,250	\$164,376	\$91,860	\$94,180	\$96,577	\$99,057
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Savings Beginning of Year						
RRSPs & RRIFs	\$0	\$0	\$0	\$0	\$0	\$0
LIRAs, LIFs & LRIFs	0	0	0	0	0	0
Tax-Paid Capital	0	0	0	0	0	0
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Funds from Karen / Age	85	86	87	88	89	90
Employment & Business Income	\$0	\$0	\$0	\$0	\$0	\$0
Pension Incomes	52,494	54,594	56,777	59,049	61,410	63,867
Canada (Quebec) Pension Plan	19,523	20,109	20,712	21,333	21,973	22,632
Old Age Security	18,450	19,004	19,574	20,161	20,766	21,389
OAS Clawback	(2,326)	(836)	0	0	0	0
Minimum RRIF Withdrawal	46,335	24,453	0	0	0	0
Other Funds from RRSPs & RRIFs	201,738	211,065	0	0	0	0
Income from Tax-Paid Capital	0	0	0	0	0	0
Other Taxable Incomes (Deductions)	0	0	0	0	0	0
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Taxable Income	336,214	328,389	97,063	100,543	104,149	107,888
Pension Income Split with Spouse	(124,041)	(118,617)	(1,747)	(2,674)	(3,640)	(4,647)
Adjusted Taxable Income	212,173	209,772	95,316	97,869	100,509	103,241
Income Taxes	(48,052)	(46,376)	(5,011)	(5,107)	(5,208)	(5,317)
Tax-Paid Capital	0	0	0	0	0	0
Non-taxable Investment Income	0	0	0	0	0	0
Purchase and Sale of Assets	0	0	0	0	0	0
Other Non-Taxable Incomes (Expenses)	0	0	0	0	0	0
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Retirement funds	\$164,121	\$163,396	\$90,305	\$92,762	\$95,301	\$97,924
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Savings Beginning of Year						
RRSPs & RRIFs	\$448,548	\$226,627	\$0	\$0	\$0	\$0
LIRAs, LIFs & LRIFs	0	0	0	0	0	0
Tax-Paid Capital	0	0	0	0	0	0
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Retirement Funds from Bill	\$165,250	\$164,376	\$91,860	\$94,180	\$96,577	\$99,057
Retirement Funds from Karen	164,121	163,396	90,305	92,762	95,301	97,924
After-Tax Shortfall	0	4,892	153,826	152,409	150,867	149,191
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Target Retirement Income	\$329,371	\$332,664	\$335,991	\$339,351	\$342,745	\$346,172

THE CANADIAN RETIREMENT PLANNER'S SOFTWARE™

**KAREN AND BILL SQUIRE
PROJECTIONS OF RETIREMENT INCOMES
BASED UPON SHORTFALL SAVED AS TAX-PAID CAPITAL BY BILL**

Income Taxes for Bill / Age	86	87	88	89	90	91
Taxable Income	\$88,132	\$91,155	\$93,569	\$95,195	\$96,870	\$98,595
Pension Income Split with Spouse	124,041	118,617	1,747	2,674	3,640	4,647
Adjusted Taxable Income	\$212,173	\$209,772	\$95,316	\$97,869	\$100,510	\$103,242
Federal Tax on Taxable Income	\$38,524	\$37,751	\$14,297	\$14,680	\$15,077	\$15,486
Personal Tax Credit	(4,428)	(4,561)	(4,697)	(4,838)	(4,983)	(5,133)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	0	(33)	(2,582)	(2,659)	(2,739)	(2,821)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Donations Tax Credit	(280)	(286)	(292)	(299)	(305)	(312)
Total Federal Tax	33,516	32,571	6,426	6,584	6,750	6,920
Provincial Tax on Taxable Income	15,982	15,660	5,767	5,921	6,081	6,246
Provincial Personal Tax Credit	(1,615)	(1,663)	(1,713)	(1,765)	(1,818)	(1,872)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	0	(837)	(862)	(888)	(914)
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Donations tax credit	(108)	(111)	(113)	(115)	(118)	(121)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	14,185	13,812	3,030	3,105	3,183	3,265
First Provincial Surtax	2,005	1,930	0	0	0	0
Second Provincial Surtax	3,217	3,083	0	0	0	0
Total Provincial Tax	19,407	18,825	3,030	3,105	3,183	3,265
Total Income Tax	\$52,923	\$51,396	\$9,456	\$9,689	\$9,933	\$10,185
Income Taxes for Karen / Age	85	86	87	88	89	90
Taxable Income	\$336,214	\$328,389	\$97,063	\$100,543	\$104,149	\$107,888
Pension Income Split with Spouse	(124,041)	(118,617)	(1,747)	(2,674)	(3,640)	(4,647)
Adjusted Taxable Income	\$212,173	\$209,772	\$95,316	\$97,869	\$100,509	\$103,241
Federal Tax on Taxable Income	\$38,524	\$37,751	\$14,297	\$14,680	\$15,076	\$15,486
Personal Tax Credit	(4,428)	(4,561)	(4,697)	(4,838)	(4,983)	(5,133)
Spousal Tax Credit	0	0	0	0	0	0
Age Tax Credit Allowed	0	(33)	(2,582)	(2,659)	(2,739)	(2,821)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Disability Tax Credit	(3,238)	(3,335)	(3,435)	(3,538)	(3,645)	(3,754)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Total Federal Tax	30,558	29,522	3,283	3,345	3,409	3,478
Provincial Tax on Taxable Income	15,982	15,660	5,767	5,921	6,081	6,246
Provincial Personal Tax Credit	(1,615)	(1,663)	(1,713)	(1,765)	(1,818)	(1,872)
Provincial Spousal Tax Credit	0	0	0	0	0	0
Provincial Age Tax Credit Allowed	0	0	(837)	(862)	(888)	(914)
Provincial Pension Income Tax Credit	(74)	(74)	(74)	(74)	(74)	(74)
Provincial Disability tax credit	(1,334)	(1,374)	(1,415)	(1,458)	(1,502)	(1,547)
Tax Credits Transferred between Spouses	0	0	0	0	0	0
Basic Provincial Tax	12,959	12,549	1,728	1,762	1,799	1,839
First Provincial Surtax	1,759	1,677	0	0	0	0
Second Provincial Surtax	2,776	2,628	0	0	0	0
Total Provincial Tax	17,494	16,854	1,728	1,762	1,799	1,839
Total Income Tax	\$48,052	\$46,376	\$5,011	\$5,107	\$5,208	\$5,317

6. Strategies to Meet Your Objectives

The purpose of the retirement plan is to determine how you can use your financial resources to meet your retirement objectives which are:

- to accumulate the funds to retire in 2022 when Bill is 62 years of age; and
- to be able to maintain your standard of living as measured by lifestyle expenditures of \$100,000 per year in current dollars plus some inflation protection.

Based upon the assumption, you can meet your objective by making the maximum RRSP contributions to RRSPs with Karen as the primary beneficiary and saving another 2.1% of Bill's income.

Based upon the assumptions in the plan, the savings program should enable you to maintain lifestyle expenditures of \$100,000 per year in current dollars plus some inflation protection.

There is obviously a tradeoff between current expenditures and expenditures after retirement that you need to discuss and consider.