

CORE FINANCIAL CONCEPTS

Prepare for your future.

Charting your financial future
begins with these core concepts.

The Six Steps to Financial Independence¹

Are you asking the right questions and make the right moves for your future?

1. Cash Flow

- Earn additional income
- Manage expenses

3. Debt Management

- Consolidate debt
- Strive to eliminate debt

5. Emergency Fund

- Save at least 3-6 months of income
- Prepare for unexpected expenses

2. Proper Protection

- Protect against loss of income
- Protect family assets

4. Build Wealth

- Strive to outpace inflation and reduce taxes

6. Preserve Wealth

- Reduce taxation
- Build a family legacy

¹ When investing, there are certain risks, fees, charges and limitation that one must take into consideration.

Life Insurance

How much do you need?

Age, health, debt, dependents, income and a variety of other factors should all be considered.²

However, the basic rule of thumb is approximately 10X of your annual family income.

² There are many variables that affect your life insurance needs. You may need more or less insurance depending on any existing savings, assets, retirement funds and whether the purpose of the death benefit is to replace income or for estate planning.

The three (3) pillars of retirement

Income during retirement typically comes from three main sources:

1. The Canada Pension (CPP) or Quebec Pension Plan (QPP)
2. The Old Age Security (OAS)
3. Employer-sponsored pension plans as well as personal savings and investments³

However, 72 percent of Canadians say it's prohibitively expensive to save for retirement, and among working Canadians, one-third have never set aside any money for retirement.⁴ A solid financial plan includes understanding your personal saving options so you won't have to make major trade-offs to enjoy the retirement lifestyle you desire.

³ "Sources of Retirement income", Financial Consumer Agency of Canada, www.canada.ca, May 11, 2021

⁴ "2022 Canadian Retirement Survey," Abacus Data commissioned by Healthcare of Ontario Pension Plan

The high cost of waiting

Time: your worst enemy or greatest ally.⁵

Here is a hypothetical example of how the monthly amount required to reach \$1 million for retirement changes with how much time you to hit that goal in a 5% tax-deferred account