



Investment Policy Statement

Prepared for

Mark & Maria Green

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Prepared: May 4, 2011
Prepared by: Lynne Myles



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Purpose for an Investment Policy Statement

An Investment Policy Statement (IPS) provides the framework for your investment decisions. The IPS ensures that the decision-making process with respect to the management of your money will be consistent, even when unexpected market fluctuations tempt to distract you from your long-term strategy. Investment recommendations will always be made based on the guidelines that we agree upon and outline in this document. I view the development of an IPS as imperative — the essential foundation upon which our work together will be based.

This report has been prepared to assist in the analysis of your current financial position and to help you identify steps that you can take to assist you in achieving your personal financial goals and objectives. Although great care has been taken to ensure the accuracy of this report, it should be kept in mind that projections, by their very nature, are based on a variety of assumptions and as such it is likely that the actual results achieved will be somewhat different than illustrated. For this reason it is very important that you review your strategy on a regular basis to ensure its timeliness and relevance to your changing financial position.

This is our standard disclaimer that is used in documents for individual advisors.

Firms can customize this disclaimer with as few as five advisors.



Risk Tolerance

Mark

Based on our discussions and your responses to our risk tolerance questionnaire as seen below, we have identified your comfort with investment risk to be **High**. An objective analysis of your personal risk tolerance combined with an understanding of your investment objectives, provides the basis for an investment strategy that you should feel comfortable maintaining through market ups and downs.

Willingness to take Financial Risk: Compared to others you rate your willingness to take financial risk as being high.

Comfort with Investment Risk: When it comes to investing, you have indicated that you have invested a large sum in a risky investment mainly for the "thrill" of it.

Current Risk Threshold: When you make financial decisions you have indicated a large degree of risk.

Confidence: You have a great deal of confidence in your ability to make good financial decisions.

Ability to Adapt: If you had a bad experience with some shares you bought in a highly regarded company due to poor management you would probably buy shares now if the company was restructured under new management and better than average returns are expected.

Risk vs. Return Capacity: If you were investing one-quarter of your investment funds into a single investment that was expected to earn about twice the return of a term deposit, you would have to have a moderately low chance of loss in order to make the investment.

Investment Trend: In recent years your personal investment approach has mostly changed towards higher risk investments.

In PlanPlus Planit you have the option to use a single risk profile for the family or individual risk profiles for each adult member of the family.

In this example we have done a separate risk profile on the client, Mark and the spouse, Maria.

Mark was determined to have a "High" risk tolerance while Maria has an "Average" risk tolerance.



María

Based on our discussions and your responses to our risk tolerance questionnaire as seen below, we have identified your comfort with investment risk to be **Average**. An objective analysis of your personal risk tolerance combined with an understanding of your investment objectives, provides the basis for an investment strategy that you should feel comfortable maintaining through market ups and downs.

Willingness to take Financial Risk: Compared to others you rate your willingness to take financial risk as being average.

Comfort with Investment Risk: When it comes to investing, you have very rarely invested a large sum in a risky investment mainly for the "thrill" of seeing what would happen.

Current Risk Threshold: When you make financial decisions you are currently willing to take a medium degree of risk.

Confidence: You have a reasonable amount of confidence in your ability to make good financial decisions.

Ability to Adapt: If you had a bad experience with some shares you bought in a highly regarded company due to poor management you are not sure if you would buy shares now if the company was restructured under new management and better than average returns are expected.

Risk vs. Return Capacity: If you were investing one-quarter of your investment funds into a single investment that was expected to earn about twice the return of a term deposit, you would have to have a moderately low chance of loss in order to make the investment.

Investment Trend: In recent years your personal investment approach has either stayed the same or has changed with no clear direction.



Portfolio Objectives

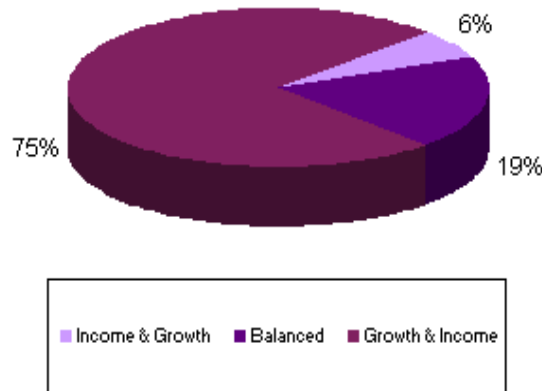
When developing an investment strategy, it is very important that your investment objectives be identified and understood. To do this properly, we determine the purpose for each of your investment accounts and group them into “Portfolios”. Each of these portfolios then has individual investment objectives based on:

Time Horizon: Considers the timing of each of the goals associated with the portfolio and any need for short term liquidity.

Risk Capacity: How much of a loss could you withstand and still meet your goals given your time horizon.

Here’s an overview of your portfolios, including the risk tolerance associated with each, their respective objectives and the recommended investment portfolio for each.

Portfolio	Capital	Risk Tolerance	Time Horizon	Risk Capacity	Recommended Investment Portfolio
Strategic Portfolio	\$171,595	High	10 years or more	Moderate ability to adapt	Growth & Income
You indicated that you had no constraints related to this portfolio.					
Education Portfolio	\$13,625	Average	6 to 9 years	Little or no flexibility	Income & Growth
You indicated that you had no constraints related to this portfolio.					
Maria's Portfolio	\$44,441	Average	10 years or more	Moderate ability to adapt	Balanced
You indicated that you had no constraints related to this portfolio.					
Total	\$229,661				



This sample IPS takes advantage of PlanPlus Planit’s ability to incorporate multiple “Portfolios” with unique investment objectives. In this example, the client’s have three separate portfolios, each with attributes that are unique enough to require different investment recommendations.

With PlanPlus Planit, you can create one IPS that addresses these unique investment recommendations based on different risk tolerance levels or investment objectives. Or you can keep it simple and use a single portfolio for all of your client’s holdings. You also can choose to print a separate IPS for each portfolio. You decide on a client by client basis.



Current Holdings

This Investment Policy Statement has been prepared with regards to the following investments:

Portfolio Description: Strategic Portfolio				
Account Description	Holdings	Account Types	Owner	Amount
Mark Registered Investments	AGF Canadian Bond	RRSP	Mark	\$ 22,500
	Acuity Canadian Equity Class F			\$ 17,536
	AGF US Value Class			\$ 6,576
	AGF Traditional Balanced			\$ 13,406
Non-Registered Investments	AGF Global High Yield Bond	Open	Joint	\$ 33,954
	Fidelity Canadian Growth Company			\$ 18,991
	AGF Canadian Money Market			\$ 12,332
	AGF Canadian Asset Allocation			\$ 19,523
	Desjardins Global Real Estate			\$ 15,278
Mark Tax Free Savings Account	Ethical Balanced Class F	TFSA	Mark	\$ 11,766
Portfolio Total				\$171,595

Portfolio Description: Education Portfolio				
Account Description	Holdings	Account Types	Owner	Amount
Registered Education Savings	Acuity Pooled Canadian Balanced	RESP - Individual Plan	Joint	\$ 13,625
Portfolio Total				\$13,625

Portfolio Description: Maria's Portfolio				
Account Description	Holdings	Account Types	Owner	Amount
Maria Registered Investments	Bond Portfolio	RRSP	Maria	\$ 19,212
	AlarmForce Industries Inc.			\$ 7,308
	Royal Bank of Canada			\$ 6,155
Maria Tax Free Savings Account	Ethical Balanced Class F	TFSA	Maria	\$ 11,766
Portfolio Total				\$44,441
Grand Total				\$229,661

This sample IPS takes advantage of Morningstar integration. You'll see above that the client owns both Mutual Funds and Stocks. These are linked into the Security Master in PlanPlus Planit and daily pricing updates keep the client's holdings current.

Morningstar also provides detailed asset allocation information so that you can identify your client's current asset allocation based on their existing holdings. This feature requires subscription to the optional Morningstar component.



Net Worth Statement

Your net worth statement measures your financial position at a specific point in time. It also provides a benchmark against you can measure your progress. Net Worth is the difference between your total assets of \$669,660 and your total liabilities of \$137,000. Currently, your net worth is \$532,660.

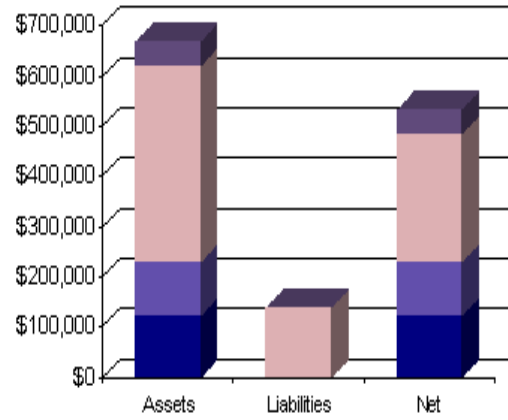
Assets	Mark	Maria	Other	Total
Personal Use Assets				
2010 Toyota Highlander	\$ 20,000.00	\$ 20,000.00	\$ 0.00	\$ 40,000.00
Residence	\$ 175,000.00	\$ 175,000.00	\$ 0.00	\$ 350,000.00
Total Personal Use Assets	\$ 195,000.00	\$ 195,000.00	\$ 0.00	\$ 390,000.00
Business/Other Assets				
Maria's Small Business	\$ 0.00	\$ 50,000.00	\$ 0.00	\$ 50,000.00
Total Business/Other Assets	\$ 0.00	\$ 50,000.00	\$ 0.00	\$ 50,000.00
Registered Investments				
Acuity Canadian Equity Class F	\$ 17,535.83	\$ 0.00	\$ 0.00	\$ 17,535.83
AGF US Value Class	\$ 6,308.10	\$ 0.00	\$ 0.00	\$ 6,308.10
AGF Traditional Balanced	\$ 13,405.82	\$ 0.00	\$ 0.00	\$ 13,405.82
Bond Portfolio	\$ 0.00	\$ 19,212.00	\$ 0.00	\$ 19,212.00
AlarmForce Industries Inc.	\$ 0.00	\$ 7,307.93	\$ 0.00	\$ 7,307.93
Royal Bank of Canada	\$ 0.00	\$ 6,154.63	\$ 0.00	\$ 6,154.63
AGF Canadian Bond	\$ 22,500.07	\$ 0.00	\$ 0.00	\$ 22,500.07
Acuity Pooled Canadian Balanced	\$ 6,812.61	\$ 6,812.61	\$ 0.00	\$ 13,625.21
Total Registered Investments	\$ 66,562.42	\$ 39,487.17	\$ 0.00	\$ 106,049.58
Non-Registered Investments				
Ethical Balanced Class F	\$ 11,766.26	\$ 0.00	\$ 0.00	\$ 11,766.26
Ethical Balanced Class F	\$ 0.00	\$ 11,766.26	\$ 0.00	\$ 11,766.26
AGF Global High Yield Bond	\$ 16,977.04	\$ 16,977.04	\$ 0.00	\$ 33,954.09
Fidelity Canadian Growth Company	\$ 9,495.65	\$ 9,495.65	\$ 0.00	\$ 18,991.31
AGF Canadian Money Market	\$ 6,166.00	\$ 6,166.00	\$ 0.00	\$ 12,332.00
AGF Canadian Asset Allocation	\$ 9,761.55	\$ 9,761.55	\$ 0.00	\$ 19,523.10
Desjardins Global Real Estate	\$ 7,639.02	\$ 7,639.02	\$ 0.00	\$ 15,278.04
Total Non-Registered Investments	\$ 61,805.53	\$ 61,805.53	\$ 0.00	\$ 123,611.07
Total Assets	\$ 323,367.95	\$ 346,292.70	\$ 0.00	\$ 669,660.65
Liabilities				
Personal Use Liabilities				
Car Loan - Toyota Canada	\$ 6,000.00	\$ 6,000.00	\$ 0.00	\$ 12,000.00
Residence Mortgage - CIBC	\$ 62,500.00	\$ 62,500.00	\$ 0.00	\$ 125,000.00
Total Personal Use Liabilities	\$ 68,500.00	\$ 68,500.00	\$ 0.00	\$ 137,000.00
Total Liabilities	\$ 68,500.00	\$ 68,500.00	\$ 0.00	\$ 137,000.00
Net Worth	\$ 254,867.95	\$ 277,792.70	\$ 0.00	\$ 532,660.65



Net Investment Assets

Although your net worth measures your overall financial position, it is your net investment assets that will fund your financial goals.

Your net investment assets of \$229,660 are comprised of your total investment assets minus your investment liabilities.





Asset Allocation

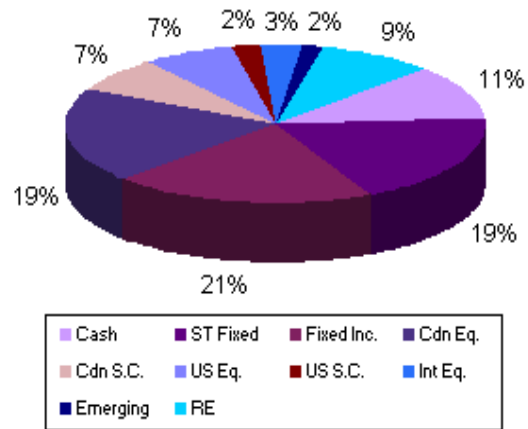
Asset allocation is the cornerstone of good investing. Each investment included in your portfolio should be part of an overall investment strategy. In order to identify an appropriate asset allocation we take into consideration your risk tolerance and your investment objectives, translating these constraints into a proposed asset allocation recommendation.

Strategic Portfolio

Current Asset Allocation

Based on the information that you have provided, the current asset allocation for this portfolio is:

Cash	11.20%
Short-Term Fixed Income	18.88%
Fixed Income	20.53%
Canadian Equities	19.29%
Canadian Small Cap Equities	7.29%
US Equities	6.88%
US Small Cap Equities	2.31%
International Equities	2.93%
Emerging Markets	1.94%
Real Estate	8.75%
Total	100.00%

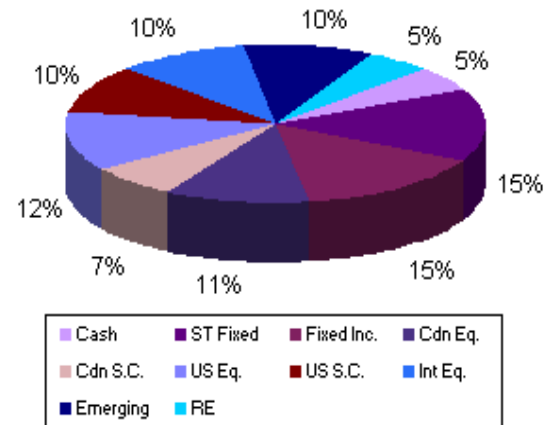


Long-Term Historical Return: 5.58%
Long-Term Historical Risk: 7.75%

Proposed Asset Allocation - Growth & Income

We propose the following asset allocation for this portfolio:

Cash	5.00%
Short-Term Fixed Income	15.00%
Fixed Income	15.00%
Canadian Equities	11.00%
Canadian Small Cap Equities	7.00%
US Equities	12.00%
US Small Cap Equities	10.00%
International Equities	10.00%
Emerging Markets	10.00%
Real Estate	5.00%
Total	100.00%



Long-Term Historical Return: 6.70%
Long-Term Historical Risk: 10.92%

This page identifies the current and target allocation for the "Strategic" portfolio. On the following two pages you'll see the current and target allocations for the other two portfolios that the advisor has defined for this client. A single portfolio would result in a single current and target portfolio being identified.

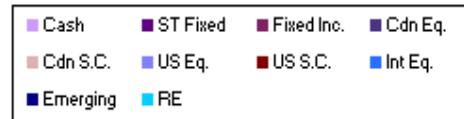
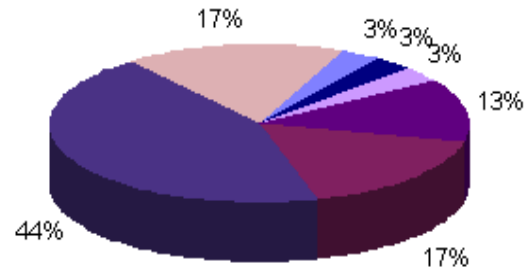


Education Portfolio

Current Asset Allocation

Based on the information that you have provided, the current asset allocation for this portfolio is:

Cash	3.00%
Short-Term Fixed Income	13.00%
Fixed Income	17.00%
Canadian Equities	44.00%
Canadian Small Cap Equities	17.00%
US Equities	3.00%
Emerging Markets	3.00%
Total	100.00%

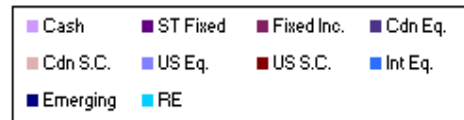
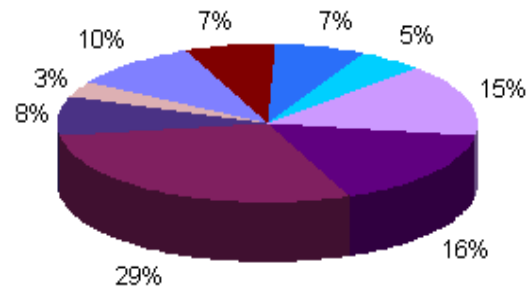


Long-Term Historical Return: 6.67%
Long-Term Historical Risk: 12.28%

Proposed Asset Allocation - Income & Growth

We propose the following asset allocation for this portfolio:

Cash	15.00%
Short-Term Fixed Income	16.00%
Fixed Income	29.00%
Canadian Equities	8.00%
Canadian Small Cap Equities	3.00%
US Equities	10.00%
US Small Cap Equities	7.00%
International Equities	7.00%
Real Estate	5.00%
Total	100.00%



Long-Term Historical Return: 5.24%
Long-Term Historical Risk: 7.08%

Here's the Education Portfolio recommendation. Note the more conservative recommendation for this portfolio given its shorter time horizon.

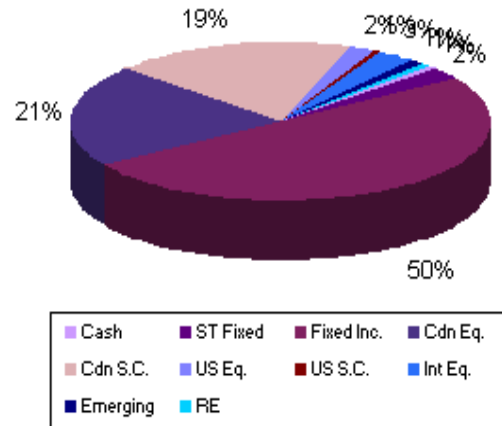


Maria's Portfolio

Current Asset Allocation

Based on the information that you have provided, the current asset allocation for this portfolio is:

Cash	0.79%
Short-Term Fixed Income	2.38%
Fixed Income	50.11%
Canadian Equities	21.00%
Canadian Small Cap Equities	18.56%
US Equities	1.85%
US Small Cap Equities	0.53%
International Equities	3.18%
Emerging Markets	0.79%
Real Estate	0.79%
Total	100.00%

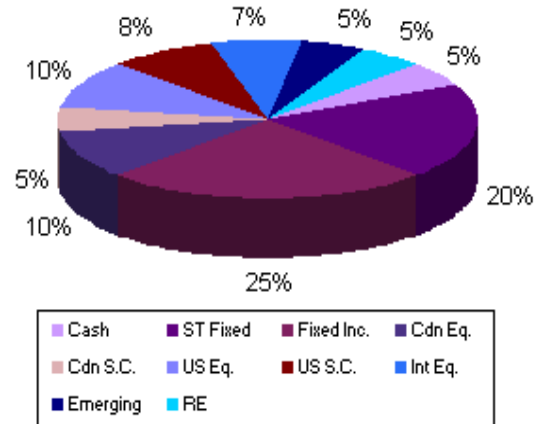


Long-Term Historical Return: 6.03%
Long-Term Historical Risk: 9.70%

Proposed Asset Allocation - Balanced

We propose the following asset allocation for this portfolio:

Cash	5.00%
Short-Term Fixed Income	20.00%
Fixed Income	25.00%
Canadian Equities	10.00%
Canadian Small Cap Equities	5.00%
US Equities	10.00%
US Small Cap Equities	8.00%
International Equities	7.00%
Emerging Markets	5.00%
Real Estate	5.00%
Total	100.00%



Long-Term Historical Return: 5.96%
Long-Term Historical Risk: 8.64%

And here's Maria's Portfolio. Note in this case that the recommendation is more conservative than the Strategic Portfolio given Maria's more conservative risk profile.

From a compliance perspective, your recommendations for each portfolio, can be totally sensitive to the risk tolerance of the owner as well as being sensitive to the time horizon and risk capacity of the goals that relate to the portfolio.



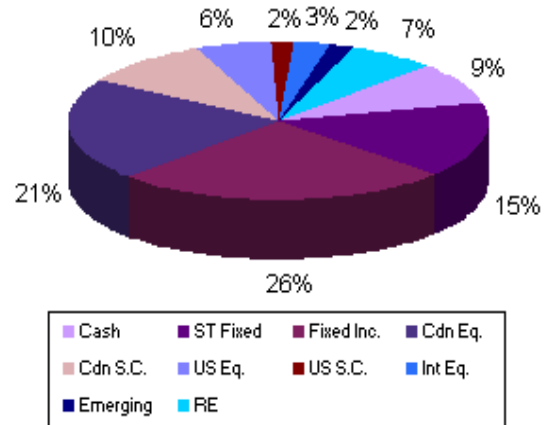
Above we have identified the proposed asset allocation for each of your portfolios. Below we have illustrated the combined asset allocation for all of your portfolios based on these recommendations.

All Portfolios

Current Asset Allocation

Based on the information that you have provided, the current asset allocation for this portfolio is:

Cash	8.70%
Short-Term Fixed Income	15.34%
Fixed Income	26.04%
Canadian Equities	21.09%
Canadian Small Cap Equities	10.05%
US Equities	5.68%
US Small Cap Equities	1.83%
International Equities	2.80%
Emerging Markets	1.78%
Real Estate	6.69%
Total	100.00%

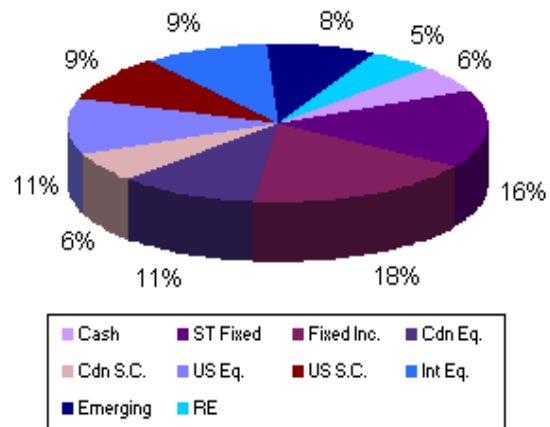


Long-Term Historical Return: 5.74%
Long-Term Historical Risk: 8.32%

Proposed Asset Allocation - Combined

This illustrates the combined asset allocation for all of your portfolios combined.

Cash	5.59%
Short-Term Fixed Income	16.03%
Fixed Income	17.77%
Canadian Equities	10.63%
Canadian Small Cap Equities	6.38%
US Equities	11.49%
US Small Cap Equities	9.44%
International Equities	9.24%
Emerging Markets	8.44%
Real Estate	5.00%
Total	100.00%



Long-Term Historical Return: 6.47%
Long-Term Historical Risk: 10.21%

When you have multiple portfolios, your IPS will also include the "All Portfolios" view of the current and target asset allocation. This allows you to see how all the portfolios roll up into an overall asset allocation.

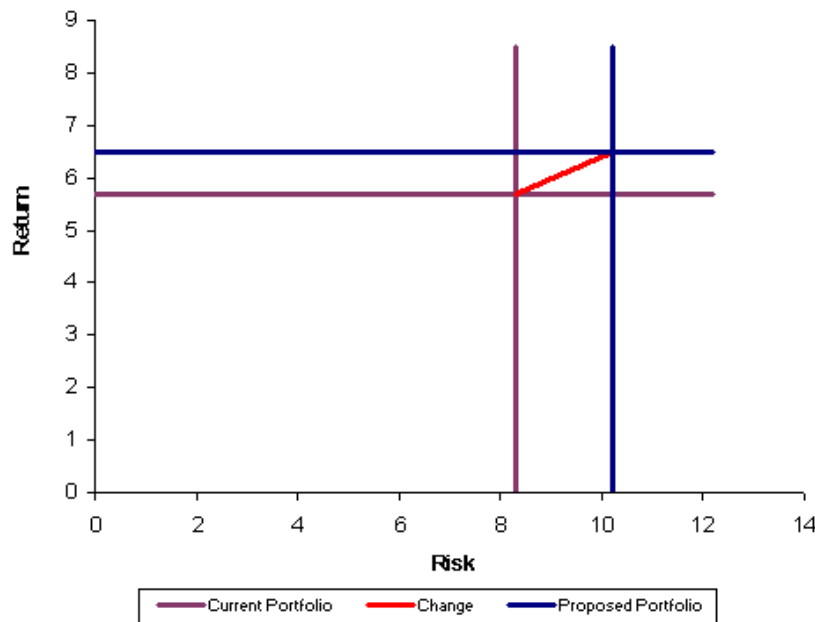


Portfolio Risk vs. Return

Today it's widely recognized that there is a trade-off between risk and reward when investing. Higher reward can only be achieved by taking on some risk. However, in designing an investment portfolio, the objective should always be to achieve the highest expected return with the least amount of risk. Measuring reward is straightforward. It is the combined expected return of the individual assets. While risk can be measured in many ways, the most frequently used method is a statistical measurement of volatility called "Standard Deviation". This is a technical way to measure the range of return fluctuation expected for a given portfolio mix among the major asset classes. In calculating overall portfolio volatility there is another dimension that must be considered, that being the degree to which returns for each asset class move up and down, compared to each other. In technical terms, this is called "correlation of returns" and it supplies the real power behind asset allocation to reduce risk. This is accomplished by combining assets in the portfolio with varying patterns of return so that, as some are falling in value, others are offsetting that decline with positive returns.

Our objective in developing an asset allocation strategy is to identify the portfolio that most efficiently matches the risk and reward for you that has the highest probability of meeting your objectives.

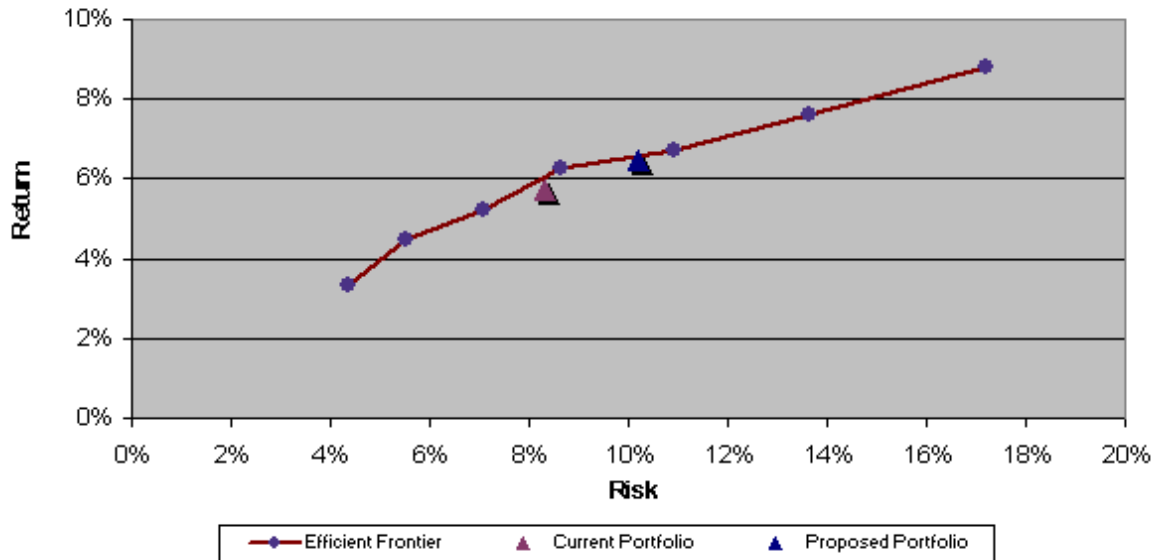
The Risk vs. Return graph below illustrates how the proposed change in your portfolio may impact your projected long-term return and the degree of risk or volatility within your portfolio. A portfolio that falls on the far left side of the graph, consisting almost entirely of short-term cash type investments, represents the least risky portfolio (one that is expected to fluctuate the least in the short-term) and has the lowest expected returns. A portfolio on the far right side of the graph, which would consist of mostly equity investments, represents a portfolio with the highest short-term volatility with the highest expected returns. Portfolios between these two extremes represent portfolios of gradually increasing returns and correspondingly increasing risk.





Efficient Frontier

In his Nobel Prize winning work, Harry Markowitz employed advanced mathematics to solve the puzzle of how to achieve maximum return with the least amount of risk. He was able to calculate “mathematically correct” portfolios that were most effective in balancing the trade-off between the risk and reward of various asset classes. He called those portfolios “efficient” and was able to plot them graphically to illustrate the range of possibilities for each level of risk or expected reward. The graph below shows the “efficient frontier” for your portfolio from an overall strategic perspective.



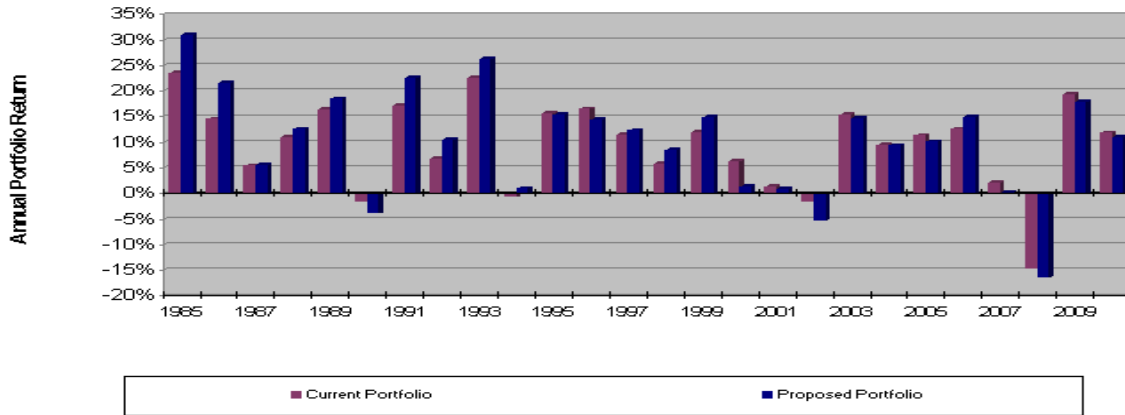
While it's considered ideal for your proposed portfolio to be positioned directly on the efficient frontier, it's also a reality that there are constraints that can limit your ability to achieve this ideal. These constraints might be a lack of liquidity in your current portfolio, tax ramifications of rebalancing or other limiting factors. In such cases you may not be able to achieve the ideal today, but over the long term we'll work with you towards this goal as the impact of such constraints are minimized.



Historical Annual Returns

When we identified the long-term projected return of 5.74% for your current portfolio and 6.47% for your proposed portfolio, this creates an expectation for the future. However, it's also helpful to see how both the current and the proposed portfolio have performed historically based on the benchmarks used for each asset class. The following graph illustrates the actual annual returns achieved by each portfolio in the past. It highlights the fact that while we expect a certain return over the long term, actual returns from year to year will fluctuate.

Annual Returns –25 Years of History



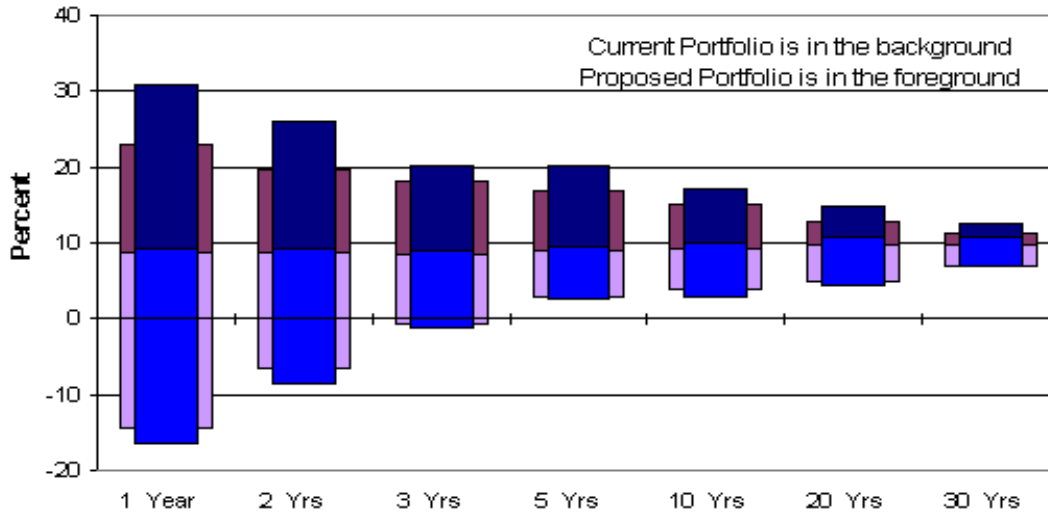
Recognizing the variable nature of historical returns can help us to understand how future returns will impact your investments going forward. With this understanding comes the ability to maintain a strategic approach to investment management and not be tempted to over react to short term fluctuations in the marketplace.



Portfolio Risk vs. Time

The long-term projected returns for your current and proposed portfolio are based on historical rates of return for each asset class using data going back as far as 1950, where the actual rate of inflation is replaced with an estimated rate of inflation of 3.0%.

While we know that history does not repeat itself exactly, the rates of return for the various asset classes and their associated “risk” are influenced by economic cycles that do have a reasonably consistent long-term pattern. Consider the following “Portfolio Risk vs. Time” graph, which provides a good picture of the highest, lowest and average historical returns over both short-term and long-term time horizons for your current and proposed portfolio.



	1 Year	2 Years	3 Years	5 Years	10 Years	20 Years	30 Years
Current Portfolio							
Actual Historical Highest (%)	23.00	19.63	18.13	16.82	14.98	12.77	11.38
Actual Historical Average (%)	8.76	8.70	8.60	8.86	9.16	9.69	9.82
Expected Return (%)	5.74	5.74	5.74	5.74	5.74	5.74	5.74
Actual Historical Lowest (%)	-14.40	-6.46	-0.58	2.97	3.97	4.90	7.05
Proposed Portfolio							
Actual Historical Highest (%)	30.88	26.11	20.26	20.16	17.09	14.77	12.61
Actual Historical Average (%)	9.15	9.13	9.09	9.44	9.94	10.67	10.65
Expected Return (%)	6.47	6.47	6.47	6.47	6.47	6.47	6.47
Actual Historical Lowest (%)	-16.34	-8.50	-1.27	2.52	3.00	4.33	6.88

This clearly illustrates that shorter time horizons demonstrate high historical volatility of returns whereas volatility over longer time horizons is reduced. This risk/reward profile is a key component to your personal Investment Policy Statement as it relates directly to your personal tolerance for risk. Portfolios with an emphasis on aggressive long-term growth will tend to experience a higher degree of volatility in the short-term than portfolios with a moderate or conservative emphasis on growth. This is the trade-off that must be accepted in order to achieve higher rates of return.



Assumptions

An Investment Policy Statement is a long-term planning document. Consequently, it's necessary to make a number of assumptions about the future so that we can identify the long-term impact your investment decisions will have on your portfolio. The following are some of the key assumptions that we have made in doing our calculations.

Inflation

The performance of most investments is significantly influenced by a number of economic factors, one very significant one being inflation. Your goals and objectives also will be impacted by future inflation rates. For this reason, it's necessary to identify an expected inflation factor. In your case we have used an assumed inflation rate of 3.0% throughout this report unless otherwise identified.

Portfolio Returns

The long-term average returns used for projecting portfolio performance are based on historical real rates of return for each asset class. When we say "real" rates of return, this means that we take the historical return for each asset class and subtract the historical inflation for the same time period. We then take your inflation assumption of 3.0% as identified above and add this to the real rates of return to get a forward looking projected return. These long-term average returns are based on appropriate benchmarks for each asset class using 59 years of history where data is available.

Asset Class	Benchmark
Cash	91-Day T-Bill Index (1)
Short-Term Fixed Income	DEX Short Term Bond Index (2)
Fixed Income	DEX Universe Bond Index
Canadian Equities	50% Canadian Dividend and 50% Income Trust (3)
Canadian Small Cap Equities	S&P/TSX Total Return
US Equities	S&P/TSX Small Cap Total Return (4)
US Small Cap Equities	S&P 500 Composite Total Return Index \$Cdn
International Equities	Russell 2000 US Small Cap Index \$Cdn (5)
Emerging Markets	MSCI EAFE Total Return Index \$Cdn (6)
Real Estate	Globe Real Estate Peer Index (7)

1) Cash return reduced by 1%.

2) Short Term Fixed data from 1966.

3) Canadian Dividends 1976 - 1985. 50% Canadian Dividend and 50% Canadian Income Trust from 1986.

4) Canadian Small Cap data from 1987.

5) US Small Cap data from 1979.

6) International Equities data from 1972.

7) Russell/Morgaurd Property Index (1950 - 1998). Globe Real Estate Peer Index from 1999.

While past investment performance is no guarantee of future performance, history does give us insight into how asset classes behave over long periods of time. That's why we use these benchmarks as the basis for projecting future investment performance. Note also that in your case we have reduced the projected returns by 1.5% in order to be more conservative in any projections done.



Portfolio Repositioning Recommendations

The following illustrates the overall changes that need to be made in your current portfolio in order to achieve the proposed asset allocation that we have identified. As we move towards this ideal, we will need to take into consideration several issues. For example we will need to recognize the regulatory nature of your accounts, any tax consequences associated with the disposition of any existing holdings as well as the objective to minimize any fees and charges that may be related to repositioning.

Asset Category	Current %	Current Value (\$)	Target %	Target Value (\$)	Reposition %	Reposition Value (\$)
Cash	8.70	19,986	5.59	12,845	-3.11	-7,141
Short-Term Fixed Income	15.34	35,225	16.03	36,807	0.69	1,582
Fixed Income	26.04	59,812	17.77	40,800	-8.28	-19,011
Canadian Equities	21.09	48,430	10.63	24,409	-10.46	-24,021
Canadian Small Cap Equities	10.05	23,074	6.38	14,642	-3.67	-8,431
US Equities	5.68	13,040	11.49	26,397	5.82	13,357
US Small Cap Equities	1.83	4,198	9.44	21,668	7.61	17,469
International Equities	2.80	6,432	9.24	21,224	6.44	14,791
Emerging Markets	1.78	4,085	8.44	19,381	6.66	15,295
Real Estate	6.69	15,373	5.00	11,483	-1.69	-3,890
Totals	100%	229,660	100%	229,660	N/A	N/A



Tactical Implementation Strategy

The following illustrates the tactical changes we recommend be made to move you towards the proposed asset allocation that we have recommended.

Strategic Portfolio			
Mark Registered Investments	Current	Target	Change
Acuity Canadian Equity Class F	\$17,535	\$0	\$-17,535
AGF Canadian Bond			
AGF Canadian Money Market			
AGF Canadian Stock			
AGF Global High Yield Bond			
AGF Global Real Estate Equity			
AGF Traditional Balanced			
AGF US Value Class			
Dynamic-Marquis U.S. Equity Pool Series I			
Ethical Canadian Dividend Class F			
Mackenzie-Sentinel Short-Term Income Fund Series G	\$0	\$2,987	\$2,987
Manulife International Dividend Income	\$0	\$5,975	\$5,975
Trimark Canadian Small Companies	\$0	\$5,377	\$5,377
Trimark US Small Companies Class	\$0	\$11,352	\$11,352
Subtotal	\$59,749	\$59,749	
Non-Registered Investments	Current	Target	Change
AGF Canadian Asset Allocation	\$19,523	\$0	\$-19,523
AGF Canadian Money Market	\$12,332	\$0	\$-12,332
AGF Canadian Money Market	\$0	\$5,003	\$5,003
AGF Canadian Stock	\$0	\$11,008	\$11,008
AGF Global High Yield Bond	\$33,954	\$12,009	\$-21,944
AGF Global Real Estate Equity	\$0	\$5,003	\$5,003
Desjardins Global Real Estate	\$15,278	\$0	\$-15,278
Dynamic-Marquis U.S. Equity Pool Series I	\$0	\$11,008	\$11,008
Ethical Canadian Dividend Class F	\$0	\$13,010	\$13,010
Fidelity Canadian Growth Company	\$18,991	\$0	\$-18,991
Mackenzie-Sentinel Short-Term Income Fund Series G	\$0	\$5,003	\$5,003
Manulife International Dividend Income	\$0	\$10,007	\$10,007
Trimark Canadian Small Companies	\$0	\$9,007	\$9,007
Trimark US Small Companies Class	\$0	\$19,015	\$19,015
Subtotal	\$100,078	\$100,078	
Mark Tax Free Savings Account	Current	Target	Change
AGF Canadian Money Market	\$0	\$588	\$588
AGF Canadian Stock	\$0	\$1,294	\$1,294
AGF Global High Yield Bond	\$0	\$1,411	\$1,411
AGF Global Real Estate Equity	\$0	\$588	\$588
Dynamic-Marquis U.S. Equity Pool Series I	\$0	\$1,294	\$1,294
Ethical Balanced Class F	\$11,766	\$0	\$-11,766
Ethical Canadian Dividend Class F	\$0	\$1,529	\$1,529
Mackenzie-Sentinel Short-Term Income Fund Series G	\$0	\$588	\$588
Manulife International Dividend Income	\$0	\$1,176	\$1,176
Trimark Canadian Small Companies	\$0	\$1,058	\$1,058
Trimark US Small Companies Class	\$0	\$2,235	\$2,235
Subtotal	\$11,766	\$11,766	
Portfolio Total	\$171,594	\$171,594	

This Tactical Implementation strategy is only available if you subscribe to the "Advanced Investment Planning" (AIP) option.

With this feature you can create lists of your "Favourite Products", create "Preferred Portfolios" and make specific tactical product recommendations to your clients.

The end product is this Buy/Sell/Hold strategy which provides detailed recommendations on how you will implement your client's investment strategy.



Education Portfolio			
Registered Education Savings	Current	Target	Change
Acuity Pooled Canadian Balanced	\$13,625	\$0	\$-13,625
AGF Canadian Bond	\$0	\$2,316	\$2,316
AGF Canadian Money Market	\$0	\$2,043	\$2,043
Dynamic Global Real Estate	\$0	\$681	\$681
Dynamic-Marquis U.S. Equity Pool Series I	\$0	\$1,362	\$1,362
Ethical Canadian Dividend Class F	\$0	\$1,635	\$1,635
Mackenzie-Sentinel Short-Term Income Fund Series G	\$0	\$2,180	\$2,180
Manulife Canadian Focused	\$0	\$1,090	\$1,090
Manulife International Dividend Income	\$0	\$953	\$953
Trimark Canadian Small Companies	\$0	\$408	\$408
Trimark US Small Companies Class	\$0	\$953	\$953
Subtotal	\$13,625	\$13,625	
Portfolio Total	\$13,625	\$13,625	

Maria's Portfolio			
Maria Registered Investments	Current	Target	Change
AGF Canadian Bond	\$0	\$4,574	\$4,574
AGF Canadian Money Market	\$0	\$1,633	\$1,633
AGF Canadian Stock	\$0	\$3,267	\$3,267
AGF Elements Global Portfolio	\$0	\$2,614	\$2,614
AlarmForce Industries Inc.	\$7,307	\$0	\$-7,307
Bond Portfolio	\$19,212	\$0	\$-19,212
Dynamic Global Real Estate	\$0	\$1,633	\$1,633
Dynamic-Marquis U.S. Equity Pool Series I	\$0	\$3,267	\$3,267
Ethical Canadian Dividend Class F	\$0	\$3,921	\$3,921
Fidelity Small Cap America	\$0	\$3,921	\$3,921
Mackenzie-Sentinel Short-Term Income Fund Series G	\$0	\$5,554	\$5,554
Royal Bank of Canada	\$6,154	\$0	\$-6,154
Trimark Canadian Small Companies	\$0	\$2,287	\$2,287
Subtotal	\$32,674	\$32,674	
Maria Tax Free Savings Account	Current	Target	Change
AGF Canadian Bond	\$0	\$1,647	\$1,647
AGF Canadian Money Market	\$0	\$588	\$588
AGF Canadian Stock	\$0	\$1,176	\$1,176
AGF Elements Global Portfolio	\$0	\$941	\$941
Dynamic Global Real Estate	\$0	\$588	\$588
Dynamic-Marquis U.S. Equity Pool Series I	\$0	\$1,176	\$1,176
Ethical Balanced Class F	\$11,766	\$0	\$-11,766
Ethical Canadian Dividend Class F	\$0	\$1,411	\$1,411
Fidelity Small Cap America	\$0	\$1,411	\$1,411
Mackenzie-Sentinel Short-Term Income Fund Series G	\$0	\$2,000	\$2,000
Trimark Canadian Small Companies	\$0	\$823	\$823
Subtotal	\$11,766	\$11,766	
Portfolio Total	\$44,441	\$44,441	
Grand Total	\$229,661	\$229,661	



Investment Policy Statement Agreement

As a result of your input and our discussions, we have jointly developed this Investment Policy Statement (IPS). Its purpose is to guide us in effectively implementing and supervising a strategy for managing your investment assets. To accomplish this, we have:

- ❖ Ascertained your attitudes, expectations and objectives.
- ❖ Outlined the various asset classes and allocations to be used in the implementation of your IPS.
- ❖ Illustrated the target rate of return and associated risk associated with your proposed portfolio.

This IPS also creates an effective channel of communication between us so that important issues and concerns for either party can be clarified. By committing our agreed upon thoughts to a written document, the potential for conflict and general misunderstandings is greatly minimized. For this reason, we ask you to sign this Agreement — to confirm that you concur with its contents. This Investment Policy Statement (IPS) is not a contract of any kind. It is only meant to be a summary of our agreed upon investment strategy for your portfolio.

I agree with the Investment Policy Statement as outlined in this document. I further agree that this document shall provide the guidelines under which my investment portfolio will be managed.

Signed this _____ day of _____ 2011.

Mr. Mark Green

Mrs. Maria Green

Lynne Myles



Action Plan Checklist

When	Who	What	Date Complete
Now	Lynne Mark Maria	Investment Policy Statement Agreement - Review this Investment Policy Statement and answer any questions or concerns you might have. Once you are satisfied that the proposed strategy is appropriate for you, sign the Agreement.	
Now	Lynne Mark Maria	Implementation of your Proposed Asset Allocation – We will work with you to implement your proposed asset allocation using various investment alternatives.	
Regularly	Lynne Mark Maria	Investment Reporting – Based on your recommended implementation option, you will receive investment reporting on a regular basis. This reporting will identify all transactions during the reporting period.	
Annually	Lynne Mark Maria	Portfolio Reviews – Together we will conduct annual meetings to review your portfolio results. If at any time you experience a change in your financial circumstances or life goals, we should discuss the implications that these changes may have on your investment portfolio.	

Future Planning Action Steps

When	Who	What	Date Complete
Mth/Year	Lynne Mark Maria	<p>Life Goals Analysis – From our review of your investments, it is apparent that you would gain significant benefit by having us complete a Life Goals Analysis to extend this Investment Policy Statement into an overall Personal Financial Strategy that goes beyond how to manage your portfolio.</p> <p>This Life Goals Analysis is a more comprehensive review of your personal financial goals and objectives and it offers broader recommendations of the action steps that need to be taken to achieve those goals and objectives. The depth of review has many benefits, the primary one being that you'll have a roadmap to guide you in <i>all</i> of your financial decisions, not just those related to investments.</p> <p>For us to complete this work, we will need to collect some further information. This would include a discussion about your life goals, information about your personal cash flow and a review of your tax situation.</p>	
Mth/Year	Lynne Mark Maria	<p>Life Goals Analysis in the event of Death or Disability – From our review of your investments, it is apparent that you would gain significant benefit by having us complete a Life Goals Analysis in the Event of Death or Disability to extend this Investment Policy Statement into an overall Personal Financial Strategy.</p> <p>For us to complete this work, we will need to discuss your goals and objectives in the event of pre-mature death or disability. This would include the lifestyle you desire for your family, any bequests you wish to make, as well as other estate planning concerns you might have. We would also review your existing life and disability insurance coverage, employee group benefits, creditor insurance and so on.</p>	



When	Who	What	Date Complete
Mth/Year	Lynne Mark Maria	<p>Estate Planning Review – From our review of your investments, it is apparent that you would gain significant benefit by having us complete an Estate Planning Review for you. This would include a survey of your wills and powers of attorney (for personal property and personal care). Our report would identify any estate liabilities that would arise on your death or that of your spouse.</p> <p>For us to complete this review, we would need to spend time identifying what you would like to happen with your estate in the event of your death. As part of this review, we would examine your wills and powers of attorney.</p>	
Mth/Year	Lynne Mark Maria	<p>Critical Illness Review – Given today's health care environment, critical illness insurance can protect you against potential exposure to significant medical expenses in the event of a serious or prolonged illness. It will also enable you to obtain time sensitive medical treatment when you need it, rather than being added to a list and waiting until that treatment is available.</p> <p>We feel that it would be beneficial for you to engage us to research the options available to you.</p>	
Mth/Year	Lynne Mark Maria	<p>Long Term Care Review – A review of your options in the event that you require long term care in the future would be very worthwhile. The risk in not doing so is the impact on your lifestyle and the capital erosion to your estate that could occur should you be unable to care for yourself due to a prolonged physical illness, disability or cognitive disorder.</p> <p>We feel that it would be beneficial for you to engage us to research the options available to you.</p>	