



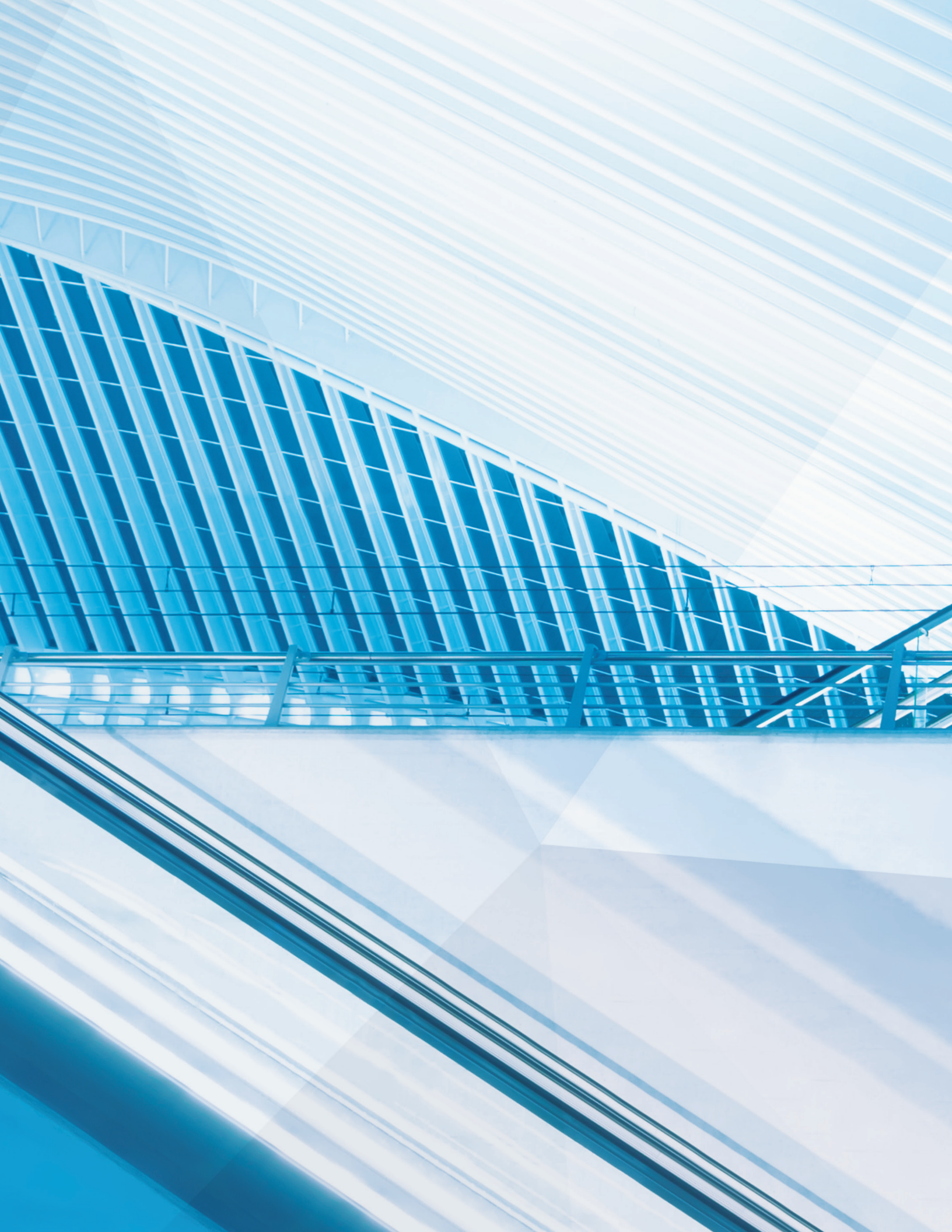
**MACKENZIE** | CONFIDENCE  
Investments IN A CHANGING WORLD

# INVESTMENT GUIDE 2019 (2<sup>ND</sup> EDITION)

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Improving the financial  
health of our customers

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# ECONOMIC MARKETS

## Market and Economic Charts

The importance of diversification is no great secret. The chart and table on this page illustrate how different markets and asset classes perform. Asset classes do not always move in tandem; stock prices may be up when bond prices are down and vice versa.

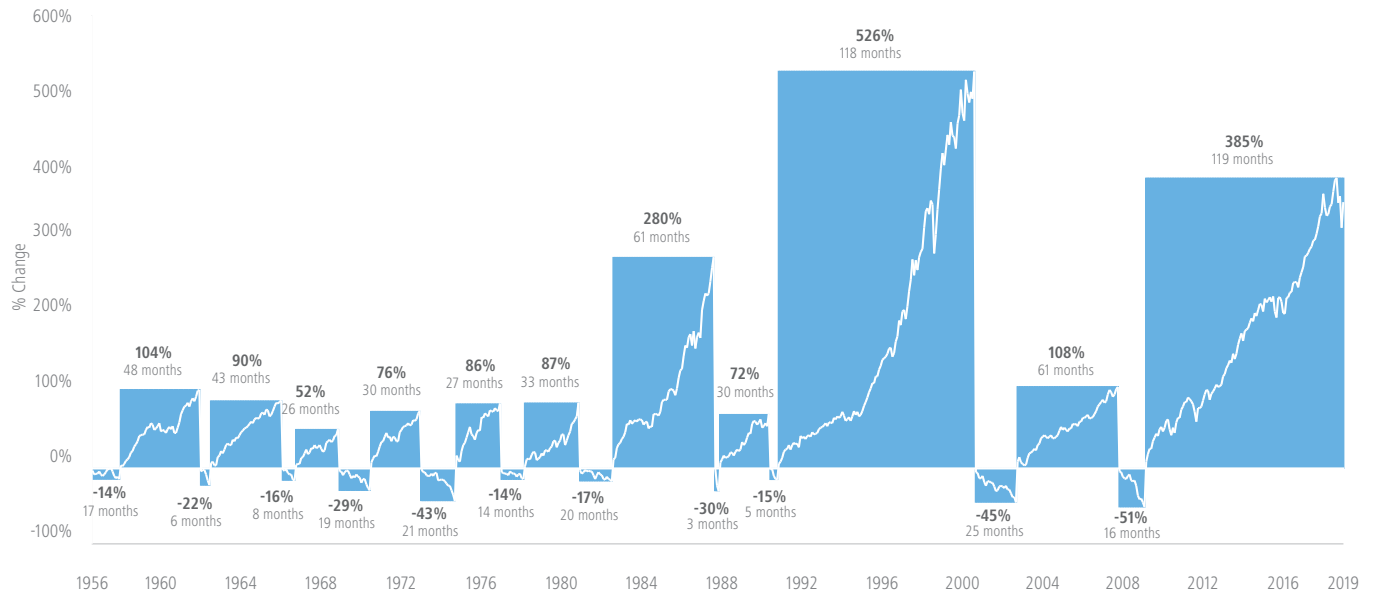
### Growth of a \$10,000 (CAD) Investment on January 1<sup>st</sup>, 1990



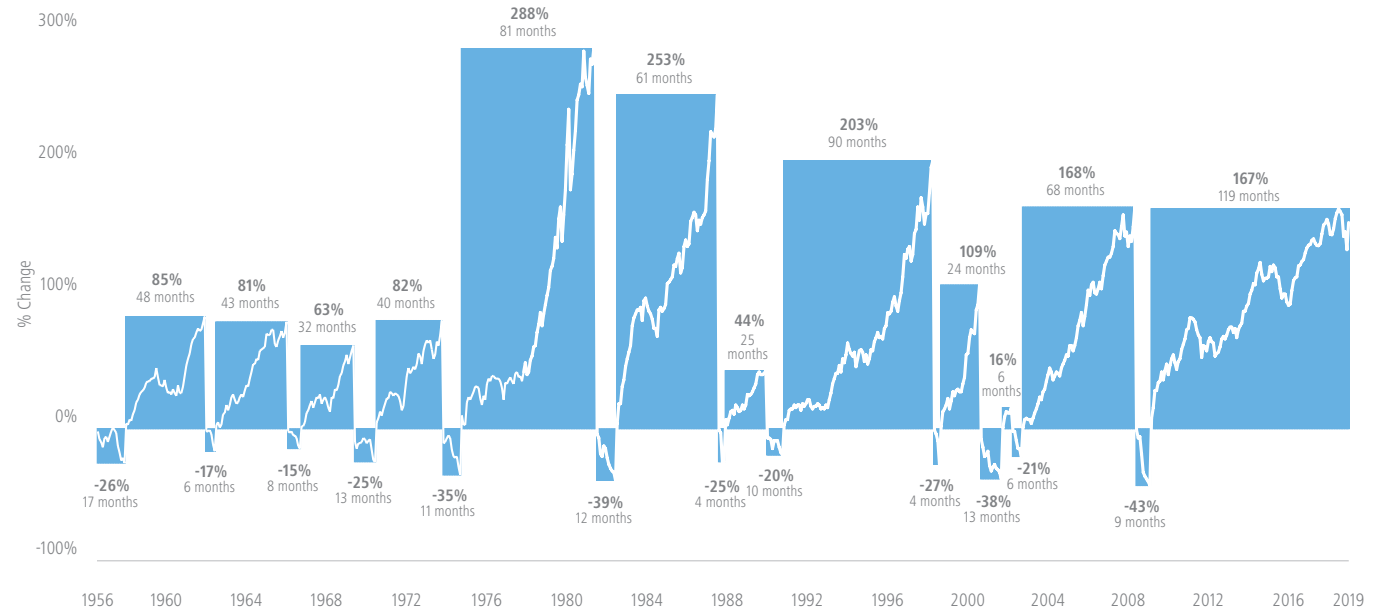
Source: Morningstar Direct, January 31, 2019.

The charts on this page represent bull and bear markets in both the S&P 500 and the S&P/TSX indices. All bars above the line are bull markets; all bars below are bear markets. As can be seen in the charts, bull markets during that period have typically lasted longer and provided a more significant percentage change.

### S&P/TSX Bull and Bear chart



### S&P 500 Bull and Bear chart

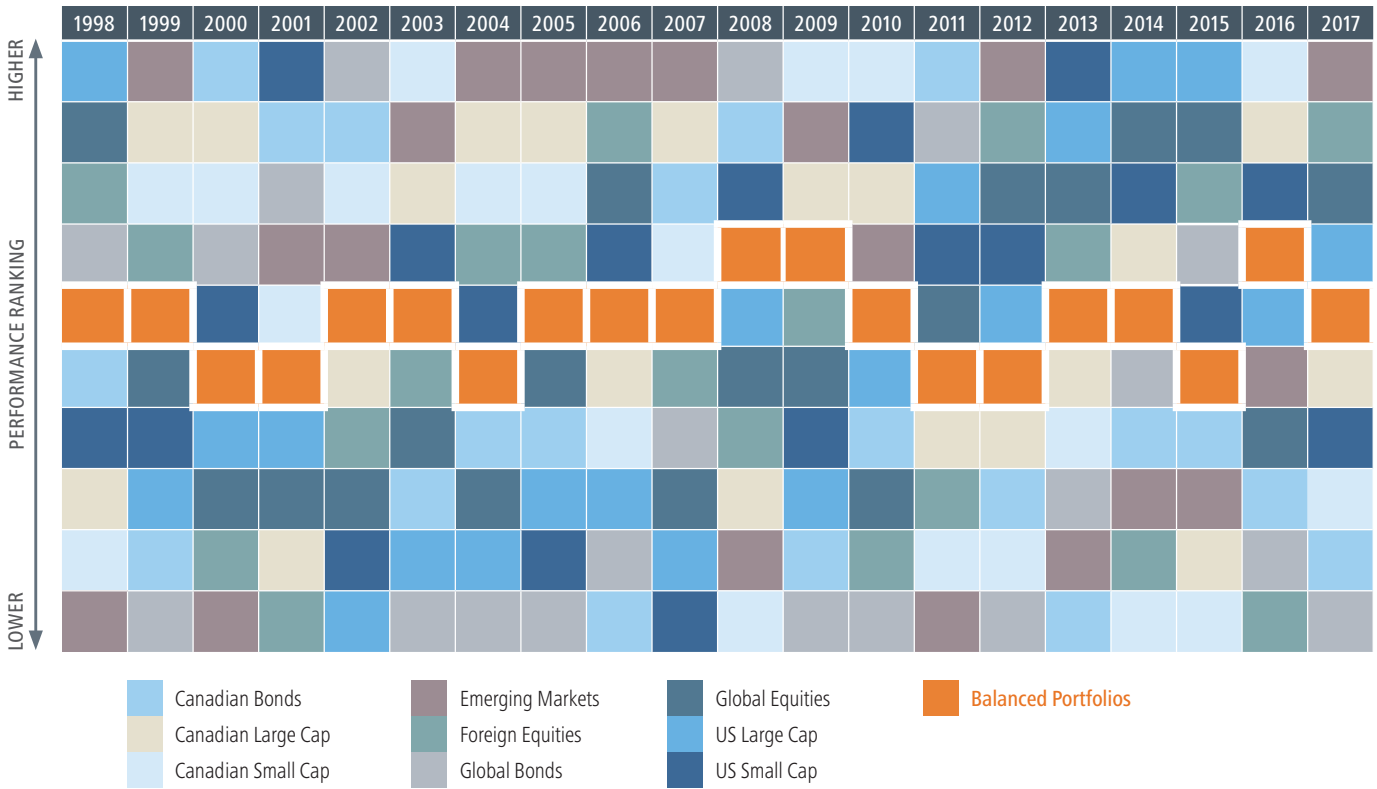


\*Based on data since 1956.

Source: Mackenzie Investments (Bloomberg: month-end data points as at January 31, 2019.; total return, local currency)

## Top Performing Markets Change Year to Year

Having a well-diversified portfolio may give you a smother ride

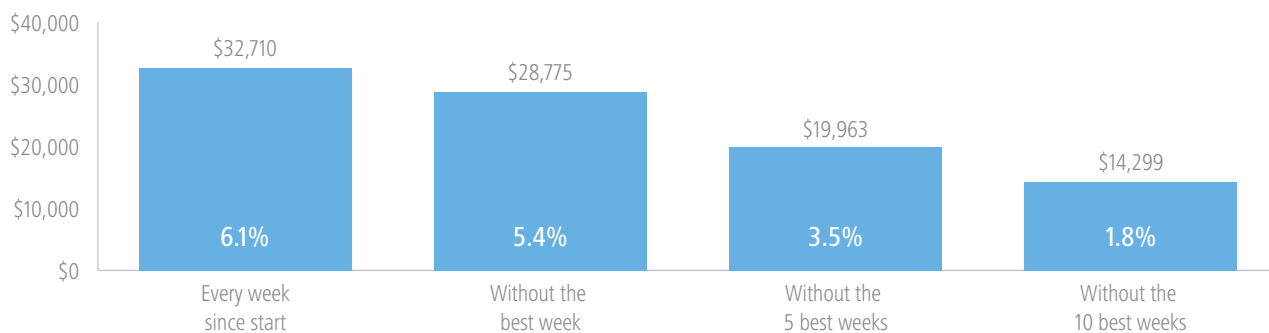


Source: Mackenzie Investments and Morningstar as at December 31, 2017.

Canadian Bonds: FTSE TMX Canada Universe Bond Index; Canadian Large Cap: S&P/TSX Composite TR Index; Canadian Small Cap: BMO NB SMCap Blend Wgt'd Index; Emerging Markets: MSCI Emerging Markets Index (CAD); Foreign Equities: MSCI EAFE Index (CAD); Global Bonds: Citigroup World Government Bond Index (CAD); Global Equities: MSCI World Index (CAD); US Large Cap: S&P 500 Index (CAD); US Small Cap: Russell 2000 Index (CAD). Balanced Portfolio is equal weight of the indices above.

## 20 Years of S&P/TSX: It's Expensive to Miss the Best Weeks

\$ 10,000 investment in TSX for 20 years from June 1995 to June 2015 (annualized compounded returns)



Source: Bloomberg & Mackenzie Investments, S&P/TSX Price Composite Index, June 30, 1995 to June 30, 2015.

# SAVINGS & BUDGET

## The Advantages of Investing at a Young Age

(Assuming 6% rate of return)

Age	Contribution (\$)	Value at 65
23	5,000	38,808
24	5,000	36,960
25	5,000	35,200
26	5,000	33,524
27	5,000	31,927
28	5,000	30,407
29	5,000	28,959
30	5,000	27,580
31	5,000	26,267
32	5,000	25,016
33	5,000	23,825
34	5,000	22,690
35	0	0
36	0	0
37	0	0
38	0	0
39	0	0
40	0	0
41	0	0
42	0	0
43	0	0
44	0	0
45	0	0
46	0	0
47	0	0
48	0	0
49	0	0
50	0	0
51	0	0
52	0	0
53	0	0
54	0	0
55	0	0
56	0	0
57	0	0
58	0	0
59	0	0
60	0	0
61	0	0
62	0	0
63	0	0
64	0	0
<b>Total (at 65)</b>	<b>60,000</b>	<b>361,163</b>

**Total Contributions: \$60,000**

**Years of Contributions: 12**

**Total accumulated at age 65: \$361,163**

Age	Contribution (\$)	Value at 65
23	0	0
24	0	0
25	0	0
26	0	0
27	0	0
28	0	0
29	0	0
30	0	0
31	0	0
32	0	0
33	0	0
34	0	0
35	5,000	21,610
36	5,000	20,581
37	5,000	19,601
38	5,000	18,667
39	5,000	17,778
40	5,000	16,932
41	5,000	16,125
42	5,000	15,358
43	5,000	14,626
44	5,000	13,930
45	5,000	13,266
46	5,000	12,635
47	5,000	12,033
48	5,000	11,460
49	5,000	10,914
50	5,000	10,395
51	5,000	9,900
52	5,000	9,428
53	5,000	8,979
54	5,000	8,552
55	5,000	8,144
56	5,000	7,757
57	5,000	7,387
58	5,000	7,036
59	5,000	6,700
60	5,000	6,381
61	5,000	6,078
62	5,000	5,788
63	5,000	5,513
64	5,000	5,250
<b>Total (at 65)</b>	<b>150,000</b>	<b>348,804</b>

**Total Contributions: \$150,000**

**Years of Contributions: 30**

**Total accumulated at age 65: \$348,804**

The information above is provided for indicative purposes only. Actual returns will differ from those assumed and change over time which will impact how assets may compound.  
Source: LBC Financial Services

## Pre-authorized savings plan

The following tables show how monthly contributions, aided by the power of compounded growth, can add up over the years.

### Assuming 3% Compound Annual Return

Monthly Contribution	5 Years	10 Years	15 Years	20 Years
\$50	\$3,240	\$7,005	\$11,377	\$16,456
\$100	\$6,481	\$14,009	\$22,754	\$32,912
\$150	\$9,721	\$21,014	\$34,131	\$49,368
\$200	\$12,962	\$28,018	\$45,508	\$65,825
\$250	\$16,202	\$35,023	\$56,885	\$82,281
\$300	\$19,442	\$42,027	\$68,262	\$98,737
\$400	\$25,923	\$56,036	\$91,016	\$131,649
\$500	\$32,404	\$70,045	\$113,770	\$164,561
\$600	\$38,885	\$84,054	\$136,524	\$197,474
\$700	\$45,366	\$98,064	\$159,278	\$230,386
\$800	\$51,847	\$112,073	\$182,032	\$263,298
\$900	\$58,327	\$126,082	\$204,786	\$296,210
\$1,000	\$64,808	\$140,091	\$227,540	\$329,123

### Assuming 5% Compound Annual Return

Monthly Contribution	5 Years	10 Years	15 Years	20 Years
\$50	\$3,414	\$7,796	\$13,420	\$20,637
\$100	\$6,829	\$15,593	\$26,840	\$41,275
\$150	\$10,243	\$23,389	\$40,260	\$61,912
\$200	\$13,658	\$31,186	\$53,681	\$82,549
\$250	\$17,072	\$38,982	\$67,101	\$103,187
\$300	\$20,487	\$46,779	\$80,521	\$123,824
\$400	\$27,316	\$62,372	\$107,361	\$165,099
\$500	\$34,145	\$77,965	\$134,201	\$206,373
\$600	\$40,974	\$93,558	\$161,042	\$247,648
\$700	\$47,803	\$109,151	\$187,882	\$288,922
\$800	\$54,632	\$124,743	\$214,722	\$330,197
\$900	\$61,460	\$140,336	\$241,562	\$371,472
\$1,000	\$68,289	\$155,929	\$268,403	\$412,746

### Assuming 7% Compound Annual Return

Monthly Contribution	5 Years	10 Years	15 Years	20 Years
\$50	\$3,601	\$8,705	\$15,941	\$26,198
\$100	\$7,201	\$17,409	\$31,881	\$52,397
\$150	\$10,802	\$26,114	\$47,822	\$78,595
\$200	\$14,402	\$34,819	\$63,762	\$104,793
\$250	\$18,003	\$43,524	\$79,703	\$130,991
\$300	\$21,603	\$52,228	\$95,643	\$157,190
\$400	\$28,804	\$69,638	\$127,524	\$209,586
\$500	\$36,005	\$87,047	\$159,406	\$261,983
\$600	\$43,206	\$104,457	\$191,287	\$314,379
\$700	\$50,407	\$121,866	\$223,168	\$366,776
\$800	\$57,608	\$139,276	\$255,049	\$419,172
\$900	\$64,809	\$156,685	\$286,930	\$471,569
\$1,000	\$72,011	\$174,094	\$318,811	\$523,965

### Assuming 9% Compound Annual Return

Monthly Contribution	5 Years	10 Years	15 Years	20 Years
\$50	\$3,799	\$9,748	\$19,062	\$33,645
\$100	\$7,599	\$19,497	\$38,124	\$67,290
\$150	\$11,398	\$29,245	\$57,187	\$100,934
\$200	\$15,198	\$38,993	\$76,249	\$134,579
\$250	\$18,997	\$48,741	\$95,311	\$168,224
\$300	\$22,797	\$58,490	\$114,373	\$201,869
\$400	\$30,396	\$77,986	\$152,498	\$269,158
\$500	\$37,995	\$97,483	\$190,622	\$336,448
\$600	\$45,594	\$116,979	\$228,746	\$403,738
\$700	\$53,193	\$136,476	\$266,871	\$471,027
\$800	\$60,792	\$155,973	\$304,995	\$538,317
\$900	\$68,391	\$175,469	\$343,119	\$605,606
\$1,000	\$75,990	\$194,966	\$381,244	\$672,896

Rates of Return are used only to illustrate the effects of compound growth and are not intended to forecast future values or returns on investment in any mutual fund.

Source: Mackenzie Investments



## The Advantages of Weekly Contributions vs Annual Contributions

### Scenario 1: Contribution on an Annual Basis

\*we assume the same initial investment at different frequencies

Frequency	Annual
Amount	\$10,400
Years to maintain these payments	25
Estimated annual return	5.00%

#### Value of your investment at the end of:

After 5 years	\$58,919
After 10 years	\$134,117
After 15 years	\$230,090
After 20 years	\$352,579
After 25 years	\$508,909

**Difference: \$12,271**

Source: LBC Financial Services

### Scenario 2: Contribution on a Weekly Basis

\*we assume the same initial investment at different frequencies

Frequency	Weekly
Amount	\$200
Years to maintain these payments	25
Estimated annual return	5.00%

#### Value of your investment at the end of:

After 5 years	\$60,340
After 10 years	\$137,351
After 15 years	\$235,638
After 20 years	\$361,080
After 25 years	\$521,180

## TFSA facts

Since January 1, 2009, Canadian residents who are 18 years of age or older with a valid SIN are eligible to contribute to a Tax-Free Savings Account.

TFSA contribution room accumulates every year, if at any time in the calendar year you are 18 years of age or older and a resident of Canada. You do not have to set up a TFSA or file a tax return to earn contribution room.

### Contribution room

Year	TFSA Contribution Room
2009	\$5,000
2010	\$5,000
2011	\$5,000
2012	\$5,000
2013	\$5,500
2014	\$5,500
2015	\$10,000
2016	\$5,500
2017	\$5,500
2018	\$5,500
2019	\$6,000
<b>TOTAL</b>	<b>\$63,500</b>

Source: Canada Revenue Agency

The \$6,000 TFSA dollar limit is indexed based on the inflation rate, and rounded to the nearest \$500.

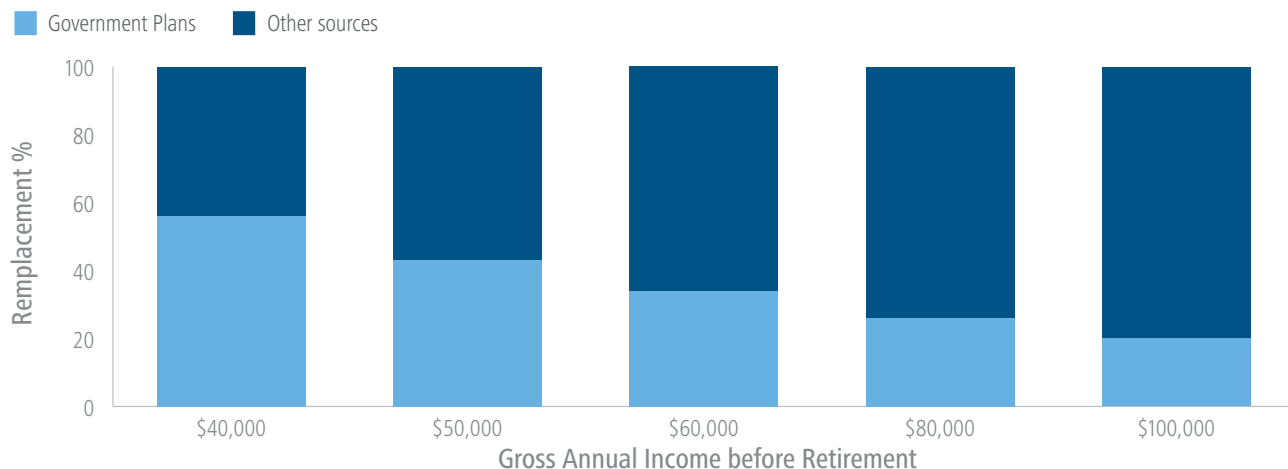
The TFSA contribution room is made up of your TFSA dollar limit (\$6,000 per year plus indexation), unused TFSA room carried from previous years and the value of any withdrawals made in the previous year, or years.

If you over-contribute beyond your TFSA contribution room in a given year you will be subject to a tax equal to 1% of the highest excess TFSA amount per month.

# RETIREMENT PLANNING

## Are the Government Plans Sufficient for your Retirement?

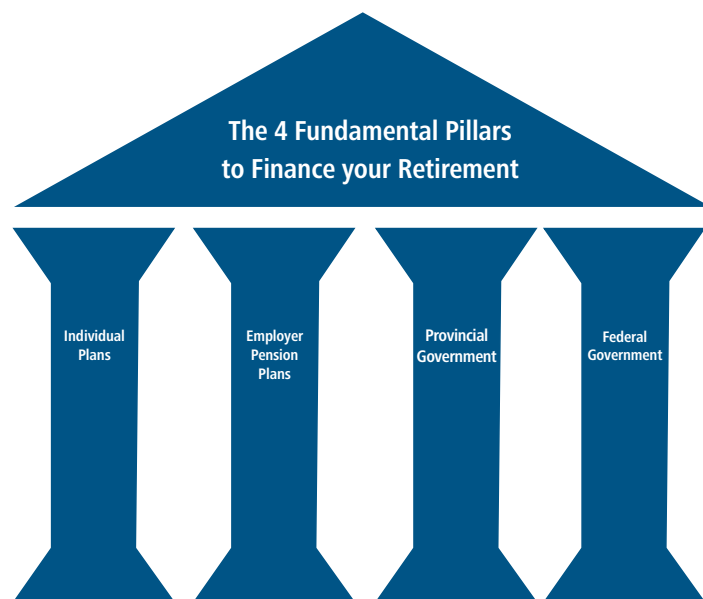
### Sources of Retirement Income to Replace 70% of Income



You will likely have to save in order to have a comfortable retirement.  
The higher your income, the more money you will need to invest to reach your retirement goals.

Note: The data is based on the Québec government plans (QPP, OAS and GIS), as of 2018-06-29  
Source: LBC Financial Services

## Some of the ways to finance your retirement



Source: LBC Financial Services Inc.

## The Power of Adding your Anticipated RRSP Tax Reimbursements to your RRSP Contributions

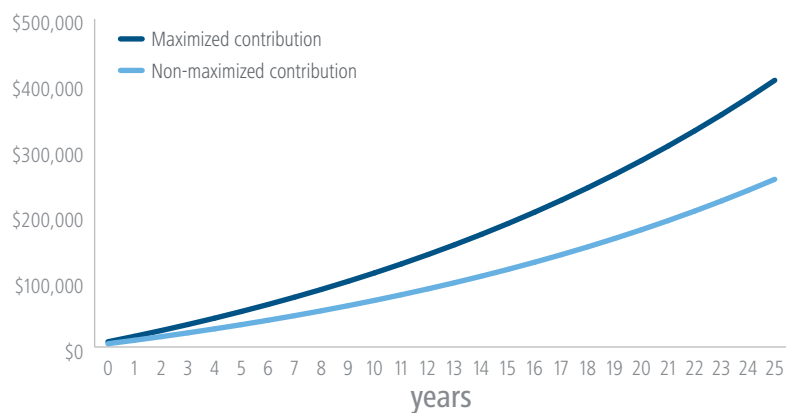
### Summary

Annual taxable income	\$60,000
RRSP contribution	\$5,000
Number of years to retirement	25
Estimated annual return on your contribution	5.00%

RRSP contribution to make	\$5,000
Additional RRSP contribution	\$2,952
Maximized RRSP contribution	\$7,952
Tax saving that could cover your additional contribution	\$2,952
<b>Additional RRSP amount at retirement</b>	<b>\$147,918</b>

Source: LBC Financial Services

### Total value of investment after 25 years



Source: Scenario based on the following assumptions: Annual taxable income of \$60 000 per year, \$5 000 annual RSP contribution, expected tax savings, rate of return of 5% and time horizon of 25 years. This is provided for illustrative purposes only and is not intended to be construed as tax advice.

# INDIVIDUAL PLANS

## RRSP

**RRSP contribution limits:** 18% of earned income (minus an individual's pension adjustments) up to the annual maximum (see below).

**Age limit:** RRSP contributions can be made until December 31<sup>st</sup> of the year an individual turns 71.

**Deadline:** 60 days after the year end.

**2019 tax year deadline:** February 29, 2020.

**Carryforward:** Unused contribution room from 1991 and onwards can be carried forward. Total allowable carryforward contribution can be found on an individual's most recent Notice of Assessment.

**Overcontribution:** Individuals over 18 can maintain an overcontribution of \$2,000 in an RRSP at any time.

**Penalty:** The penalty for overcontribution over \$2,000 is 1% per month, starting at the end of the first month in which the limit has been exceeded.

	2019	2020
Annual RRSP Limit	\$26,500	\$27,230

### Withholding tax rates for RRSP/RRIF withdrawals (as of December 2018)

Amount Withdrawn	Québec	Federal	Total for the province of Québec	Total other provinces ex. Québec
Up to \$5,000	15%	5%	20%	10%
\$5,001 – \$15,000	15%	10%	25%	20%
Over \$15,000	15%	15%	30%	30%

Source: Mackenzie Investments

## RRIF

**Age:** No later than the year after the individual turns 71.

**Withdrawals:** There is no required withdrawal amount in the first calendar year a RRIF is funded (see below).

### RRIF minimum withdrawals (as of December 2018)

Age	Withdrawal	Age	Withdrawal
60	3.33%	78	6.36%
61	3.45%	79	6.58%
62	3.57%	80	6.82%
63	3.70%	81	7.08%
64	3.85%	82	7.38%
65	4.00%	83	7.71%
66	4.17%	84	8.08%
67	4.35%	85	8.51%
68	4.55%	86	8.99%
69	4.76%	87	9.55%
70	5.00%	88	10.21%
71	5.28%	89	10.99%
72	5.40%	90	11.92%
73	5.53%	91	13.06%
74	5.67%	92	14.49%
75	5.82%	93	16.34%
76	5.98%	94	18.79%
77	6.17%	95+	20.00%

\*A Qualifying RRIF is a RRIF that was opened  
 – Before 1993 and has not accepted any funds after 1992; or  
 – After 1992 and has had only funds transferred from another Qualifying RRIF.

## Employer Pension Plan

	Defined Benefit Plan (DB Plan)	Defined Contribution Plan (DC Plan)	Group RRSP	Deferred Profit Sharing Plan (DPSP)	Voluntary Retirement Savings Plan (VRSP)
Employer Contributions	<p>Employer contributions are essential to finance the annuity.</p> <p>The sums are immobilized and unseizable. 🔒</p>	<p>The employer must contribute a minimum of 1% of payroll.</p> <p>The sums are immobilized and unseizable. 🔒</p>	<p>Contributions are not mandatory and are at the discretion of the employer.</p>	<p>Varies according to the plan.</p> <p>Not immobilized They can be seized.</p>	<p>The employer is not obliged to contribute.</p> <p>Immobilized if there is an employer contribution. 🔒</p>
Employee Contributions	<p>Employee contributions may be mandatory or optional depending on the employer's decision. They are immobilized and unseizable.</p>	<p>Employee contributions may be mandatory or optional depending on the employer's decision. They are usually immobilized and unseizable.</p>	<p>Not mandatory, the employee has the choice to join the plan or not. Not immobilized.</p>	<p>The employee does not contribute to this type of plan.</p>	<p>Voluntary. The contributions are not immobilized. They are unseizable.</p>
Equivalence Factor	Yes	Yes	No	Yes	Yes
Withdrawal/transfer while still at work	Not allowed	Normally not allowed. To verify with the employer.	Generally allowed unless specified by the employer.	Generally allowed unless specified by the employer.	Allowed
Withdrawal/transfer at end of employment	The employer gives the different options to their employees at the end of employment. It is important to contact your LBC Financial Services mutual fund representative to obtain further information and help you make the right choice.				

This information is of a general nature. Please consider your personal circumstances before making any financial decisions.

Source: Financial planning guide – Question retraite

# GOVERNMENT PLANS

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## Québec Pension Plan (QPP)

**Normal Retirement Date:** 65 years old

**Early Retirement (asked between 60 and 65):** The pension will be reduced by 0.6% per month before your 65<sup>th</sup> anniversary.  
Note: this reduction can be modified to 0.5% if the amount is little (if the individual has a low income).

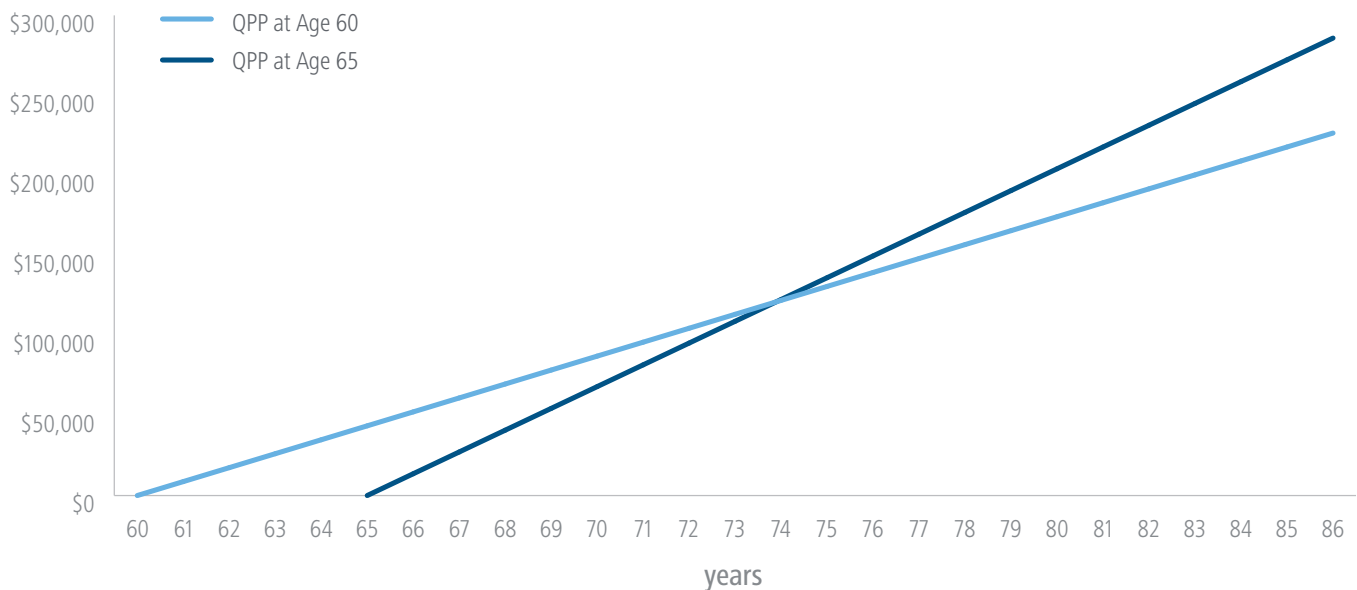
**Late Retirement (asked between 65 and 70 years old):** The pension will be increased by 0.7% for each month after your 65<sup>th</sup> anniversary.

### At What Age Should I Take my QPP (Age 60 vs Age 65)?

Mathematically, there exists a point of indifference; it corresponds to the age at which there is no difference between taking the QPP at age 60 or at age 65. In this case, it is at age 74.

### QPP (Age 60 vs Age 65)

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### Other Elements to Consider:

Life Expectancy, Return on Investment, Life Quality, Other Sources of Revenue.

Source: LBC Financial Services

## Old Age Security (OAS)

**Normal Retirement Date:** 65 years old.

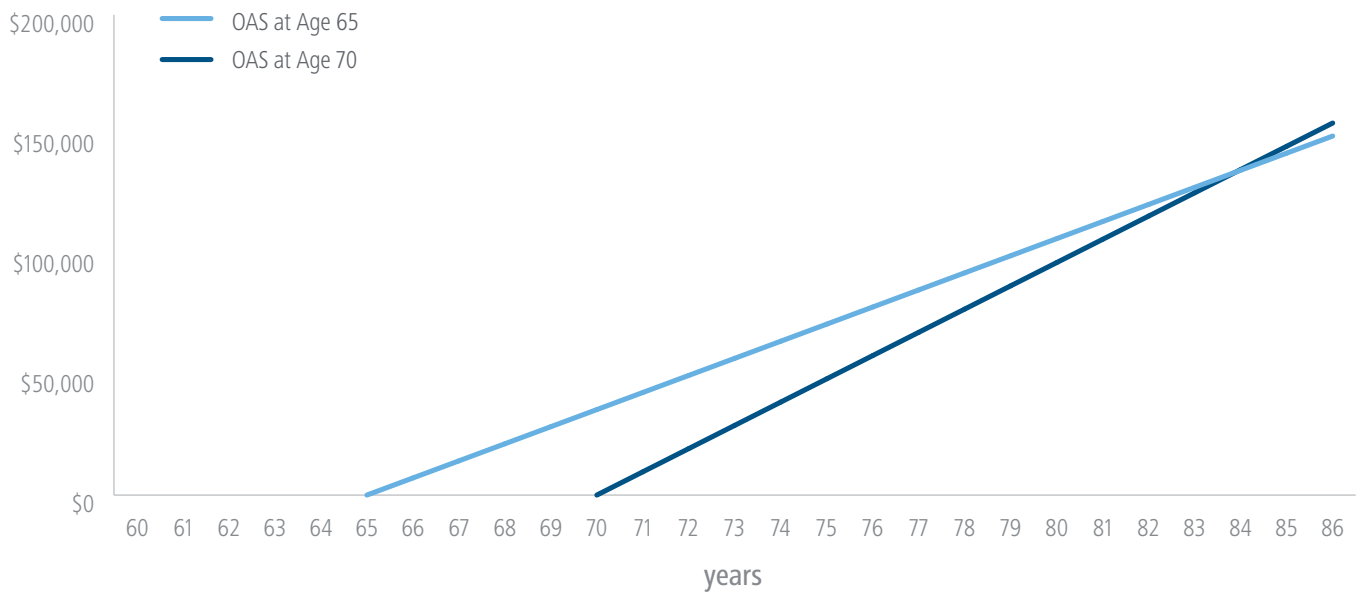
**Early Retirement:** Not possible.

**Late Retirement (asked between 65 and 70 years old):** The pension will be increased by 0.6% for each month after your 65<sup>th</sup> anniversary.

### At What Age Should I Take my OAS (Age 65 vs Age 70)?

Mathematically, there exists a point of indifference; it corresponds to the age at which there is no difference between taking the OAS at age 65 or at age 70. In this case, it is at age 84.

#### OAS (Age 65 vs Age 70)



#### Other Elements to Consider:

Life Expectancy, Return on Investment, Life Quality, Other Sources of Revenue.

Source: LBC Financial Services

## Retirement Risk: Longevity

Life expectancy based on age reached	Probability of Survival									
	Age	10%			25%			50%		
		M	F	M/F	M	F	M/F	M	F	M/F
20	99	101	102	95	97	99	90	93	95	
30	98	101	102	95	97	99	90	92	95	
40	98	100	101	94	97	98	90	92	95	
50	98	100	101	94	96	98	89	91	94	
60	97	100	101	94	96	98	89	91	94	
70	97	99	100	94	96	97	89	91	94	
80	97	100	100	94	96	98	90	92	94	
90	99	101	102	96	98	99	94	95	97	
100	105	105	106	103	103	104	102	102	103	

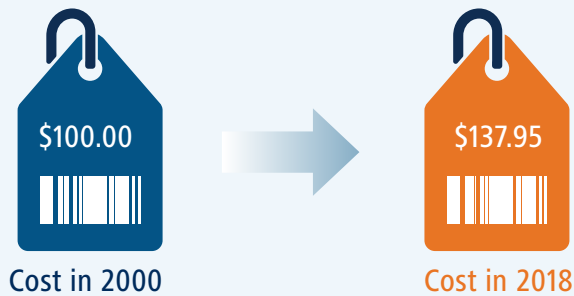
M: Male F: Female

M/F: Probability of survival of one of the spouses

Source: Institut Québécois de la planification financière

## Retirement Risk: Inflation

It's important to keep in mind the value of goods and services not just in today's dollars, but in the future dollars as well.



Source : Bank of Canada Inflation Calculator



## Systematic Withdrawal Plan

Extend the life of your money. Compounded growth can help your clients' money last longer during a SWP program or from regular cash payouts through Mackenzie Investments' Flexible Payout Service.

### 3% annual rate of return

\$100,000 Initial investment	\$200/month		\$500/month	
	Withdrawals	Market Value	Withdrawals	Market Value
Year 1	\$2,400	\$100,567	\$6,000	\$96,918
Year 2	\$2,400	\$101,151	\$6,000	\$93,743
Year 3	\$2,400	\$101,753	\$6,000	\$90,474
Year 4	\$2,400	\$102,373	\$6,000	\$87,106
Year 5	\$2,400	\$103,011	\$6,000	\$83,637
Year 6	\$2,400	\$103,669	\$6,000	\$80,064
Year 7	\$2,400	\$104,346	\$6,000	\$76,384
Year 8	\$2,400	\$105,044	\$6,000	\$72,593
Year 9	\$2,400	\$105,762	\$6,000	\$68,689
Year 10	\$2,400	\$106,502	\$6,000	\$64,668
Year 11	\$2,400	\$107,264	\$6,000	\$60,526
Year 12	\$2,400	\$108,049	\$6,000	\$56,259
Year 13	\$2,400	\$108,858	\$6,000	\$51,865
Year 14	\$2,400	\$109,691	\$6,000	\$47,339
Year 15	\$2,400	\$110,549	\$6,000	\$42,677
Year 16	\$2,400	\$111,433	\$6,000	\$37,875
Year 17	\$2,400	\$112,343	\$6,000	\$32,929
Year 18	\$2,400	\$113,280	\$6,000	\$27,835
Year 19	\$2,400	\$114,246	\$6,000	\$22,588
Year 20	\$2,400	<b>\$115,240</b>	\$6,000	<b>\$17,184</b>
	<b>\$48,000</b>		<b>\$120,000</b>	

### 5% annual rate of return

\$100,000 Initial Investment	\$200/month		\$500/month	
	Withdrawals	Market Value	Withdrawals	Market Value
Year 1	\$2,400	\$102,545	\$6,000	\$98,864
Year 2	\$2,400	\$105,218	\$6,000	\$97,671
Year 3	\$2,400	\$108,025	\$6,000	\$96,418
Year 4	\$2,400	\$110,971	\$6,000	\$95,102
Year 5	\$2,400	\$114,065	\$6,000	\$93,721
Year 6	\$2,400	\$117,314	\$6,000	\$92,271
Year 7	\$2,400	\$120,725	\$6,000	\$90,748
Year 8	\$2,400	\$124,307	\$6,000	\$89,149
Year 9	\$2,400	\$128,068	\$6,000	\$87,471
Year 10	\$2,400	\$132,017	\$6,000	\$85,708
Year 11	\$2,400	\$136,163	\$6,000	\$83,857
Year 12	\$2,400	\$140,517	\$6,000	\$81,914
Year 13	\$2,400	\$145,088	\$6,000	\$79,873
Year 14	\$2,400	\$149,888	\$6,000	\$77,730
Year 15	\$2,400	\$154,928	\$6,000	\$75,481
Year 16	\$2,400	\$160,220	\$6,000	\$73,118
Year 17	\$2,400	\$165,776	\$6,000	\$70,638
Year 18	\$2,400	\$171,611	\$6,000	\$68,033
Year 19	\$2,400	\$177,737	\$6,000	\$65,299
Year 20	\$2,400	<b>\$184,169</b>	\$6,000	<b>\$62,428</b>
	<b>\$48,000</b>		<b>\$120,000</b>	

### 7% annual rate of return

\$100,000 Initial investment	\$200/month		\$500/month	
	Withdrawals	Market Value	Withdrawals	Market Value
Year 1	\$2,400	\$104,524	\$6,000	\$100,810
Year 2	\$2,400	\$109,365	\$6,000	\$101,676
Year 3	\$2,400	\$114,544	\$6,000	\$102,604
Year 4	\$2,400	\$120,086	\$6,000	\$103,596
Year 5	\$2,400	\$126,016	\$6,000	\$104,657
Year 6	\$2,400	\$132,361	\$6,000	\$105,793
Year 7	\$2,400	\$139,150	\$6,000	\$107,008
Year 8	\$2,400	\$146,415	\$6,000	\$108,309
Year 9	\$2,400	\$154,188	\$6,000	\$109,700
Year 10	\$2,400	\$162,505	\$6,000	\$111,189
Year 11	\$2,400	\$171,404	\$6,000	\$112,782
Year 12	\$2,400	\$180,926	\$6,000	\$114,487
Year 13	\$2,400	\$191,115	\$6,000	\$116,311
Year 14	\$2,400	\$202,017	\$6,000	\$118,263
Year 15	\$2,400	\$213,682	\$6,000	\$120,351
Year 16	\$2,400	\$226,164	\$6,000	\$122,585
Year 17	\$2,400	\$239,519	\$6,000	\$124,976
Year 18	\$2,400	\$253,810	\$6,000	\$127,534
Year 19	\$2,400	\$269,100	\$6,000	\$130,271
Year 20	\$2,400	<b>\$285,461</b>	\$6,000	<b>\$133,200</b>
	<b>\$48,000</b>		<b>\$120,000</b>	

### 9% annual rate of return

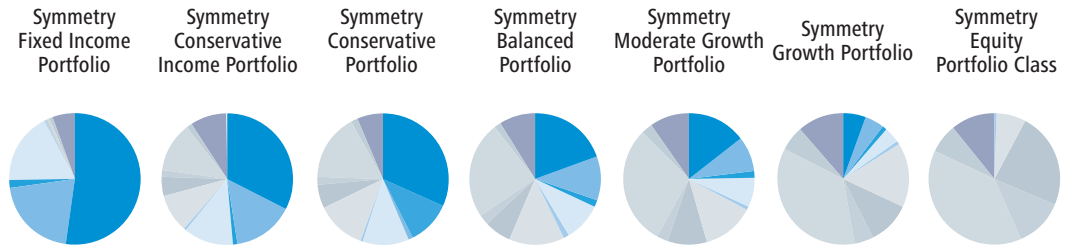
\$100,000 Initial Investment	\$200/month		\$500/month	
	Withdrawals	Market Value	Withdrawals	Market Value
Year 1	\$2,400	\$106,503	\$6,000	\$102,756
Year 2	\$2,400	\$113,590	\$6,000	\$105,761
Year 3	\$2,400	\$121,316	\$6,000	\$109,036
Year 4	\$2,400	\$129,737	\$6,000	\$112,605
Year 5	\$2,400	\$138,916	\$6,000	\$116,496
Year 6	\$2,400	\$148,921	\$6,000	\$120,737
Year 7	\$2,400	\$159,826	\$6,000	\$125,360
Year 8	\$2,400	\$171,713	\$6,000	\$130,398
Year 9	\$2,400	\$184,670	\$6,000	\$135,891
Year 10	\$2,400	\$198,793	\$6,000	\$141,877
Year 11	\$2,400	\$214,187	\$6,000	\$148,402
Year 12	\$2,400	\$230,966	\$6,000	\$155,515
Year 13	\$2,400	\$249,255	\$6,000	\$163,268
Year 14	\$2,400	\$269,191	\$6,000	\$171,718
Year 15	\$2,400	\$290,921	\$6,000	\$180,929
Year 16	\$2,400	\$314,606	\$6,000	\$190,969
Year 17	\$2,400	\$340,423	\$6,000	\$201,912
Year 18	\$2,400	\$368,564	\$6,000	\$213,841
Year 19	\$2,400	\$399,237	\$6,000	\$226,843
Year 20	\$2,400	<b>\$432,671</b>	\$6,000	<b>\$241,015</b>
	<b>\$48,000</b>		<b>\$120,000</b>	

The information set out above is provided for indicative purposes only. There is no guarantee that investment returns over any period will be positive.  
Source: Mackenzie Investments

# INVESTMENT SOLUTIONS

## Symmetry Portfolios Quick Reference

Symmetry is a series of diversified managed asset investment portfolios, each tailored to a specific risk tolerance and return objective. It is managed and overseen by Mackenzie Multi-Asset Strategies Team, which brings leading institutional pension experience to the retail investor.



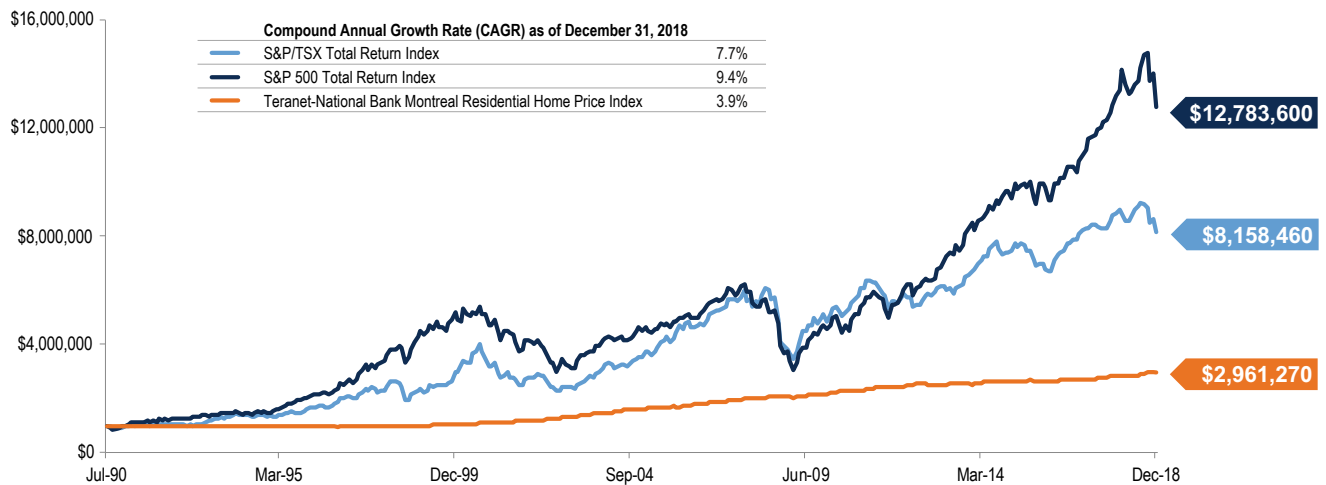
Fixed Income (FI) / Equity (E)	100% FI	75% FI / 25% E	65% FI / 35% E	50% FI / 50% E	40% FI / 60% E	25% FI / 75% E	100% E
Canadian Bond	52.3%	32.7%	31.8%	19.7%	14.6%	5.7%	–
Global Bond	20.8%	14.9%	10.8%	10.8%	8.7%	4.7%	–
Inflation-Linked Bond	1.7%	1.2%	1.0%	1.6%	1.4%	1.1%	–
High Yield Bond/Floating Rate	17.7%	12.3%	11.6%	9.5%	7.4%	3.8%	–
Money Market	0.3%	0.4%	0.4%	1.2%	0.7%	1.1%	0.6%
Canadian Equity	–	9.5%	12.2%	13.7%	12.9%	15.6%	7.2%
US Equity	–	4.9%	5.8%	6.7%	9.6%	10.8%	23.6%
International Equity	0.5%	1.6%	2.0%	2.3%	2.9%	4.5%	12.2%
Global Equity	0.6%	12.2%	16.4%	23.9%	29.4%	35.5%	38.5%
Emerging Markets Equity	0.7%	1.5%	1.6%	1.8%	2.7%	6.0%	7.1%
Completion Pool	5.5%	8.9%	6.3%	8.7%	9.6%	11.3%	10.8%
Brief Description	Income portfolio focused on preserving capital	Balanced Portfolio focused on preserving capital	Balanced Portfolio focused on preserving capital	Seeks an equal balance of growth and protection	Growth portfolio with allocation to bonds that seek some protection	Growth focused portfolio that seeks some capital protection	Heavily stock weighted portfolio that seeks long-term growth

Please read the prospectus of the funds for detailed disclosure regarding their investment objectives and strategies and applicable risks. These are target allocations and are subject to change. Source: Mackenzie Investments

# INVESTMENT SOLUTIONS

## Investments vs. Montreal real estate

Growth of \$100,000 investment – July 31, 1990 to December 31, 2018

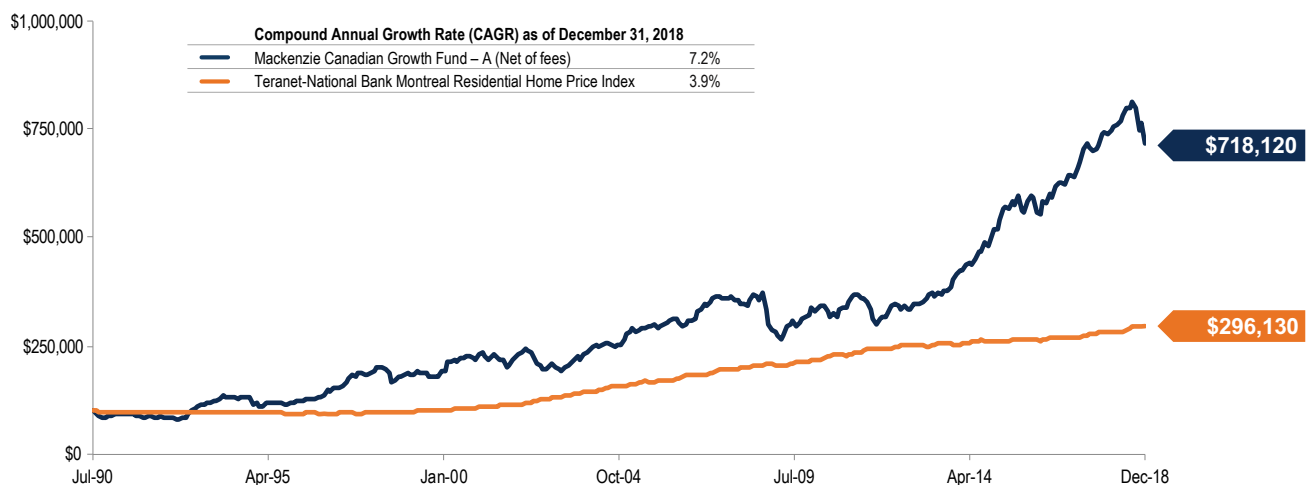


Source: Bloomberg and Teranet-National Bank Home Price Index, July 31, 1990 to December 31, 2018. Index shown is of residential housing prices. FOR ILLUSTRATIVE PURPOSES ONLY.



## Mackenzie Canadian Growth Fund - A vs. Montreal real estate

Growth of \$100,000 – July 31, 1990 to December 31, 2018



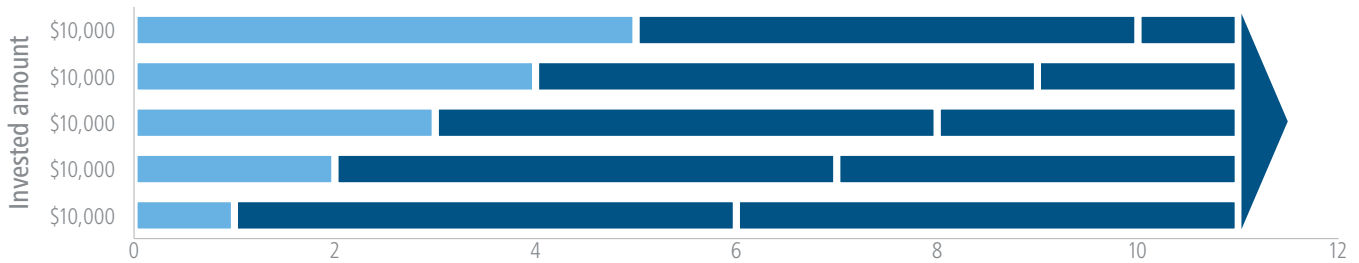
Source: Bloomberg and Teranet-National Bank Home Price Index, July 31, 1990 to December 31, 2018. Index shown is of residential housing prices. FOR ILLUSTRATIVE PURPOSES ONLY.



# Guaranteed Investment Certificate Laddering

## Strategy summary

- GIC laddering is an investment strategy for customers that do not feel secure investing their total savings amount in a long-term GIC.
- By adopting this strategy, you may considerably increase the returns from your GIC investments, without locking in all of your money into one long-term investment.



### Step 1: Divide your savings into tranches

Divide the total amount you want to invest (ex: \$50,000) by 5 and invest each single amount (ex: \$10,000) in terms from 1 to 5 years

### Step 2: Reinvest each tranche at maturity

When each GIC comes to maturity, invest it in a new 5 year GIC

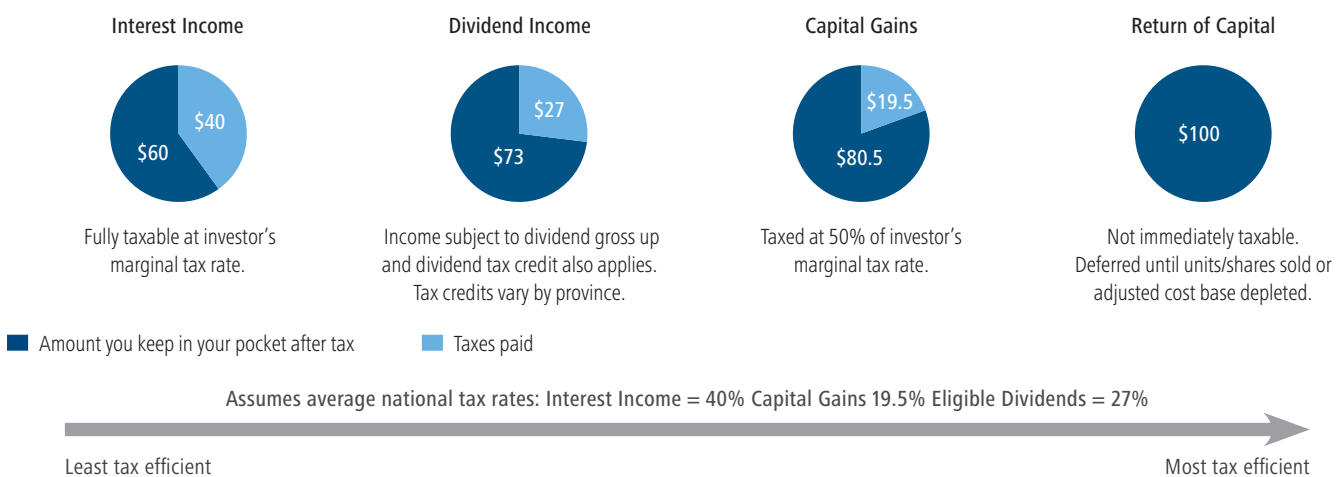
### Final result

By laddering, a term matures every year, which means every year you have two options: access some money if you need it, or keep investing.

Source: Laurentian Bank

# Not all income is taxed the same

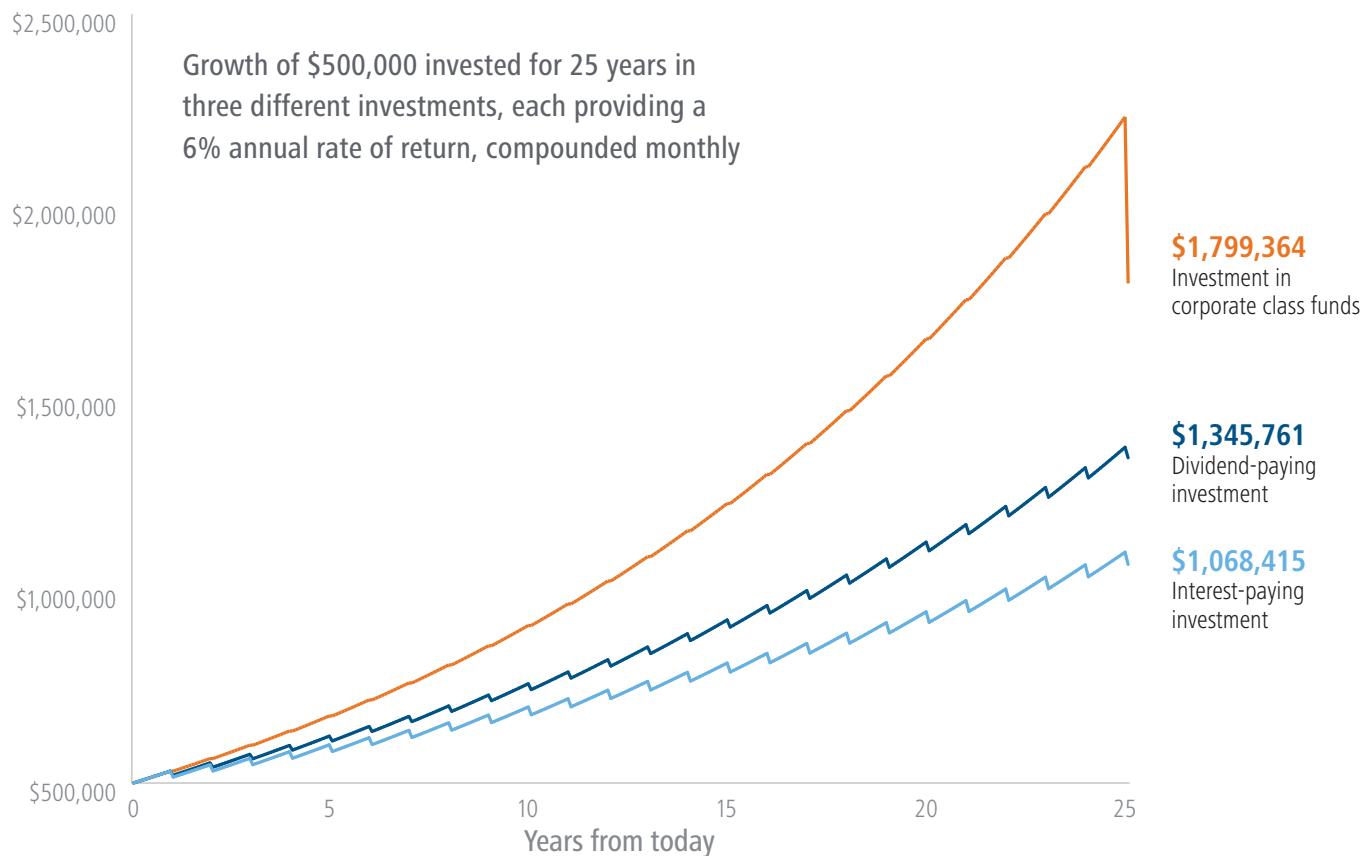
## Tax consequences for every \$100 received in income:



Source: Mackenzie Investments

## Tax-Advantaged Growth

The less tax you have to pay along the way, the faster your investment could grow

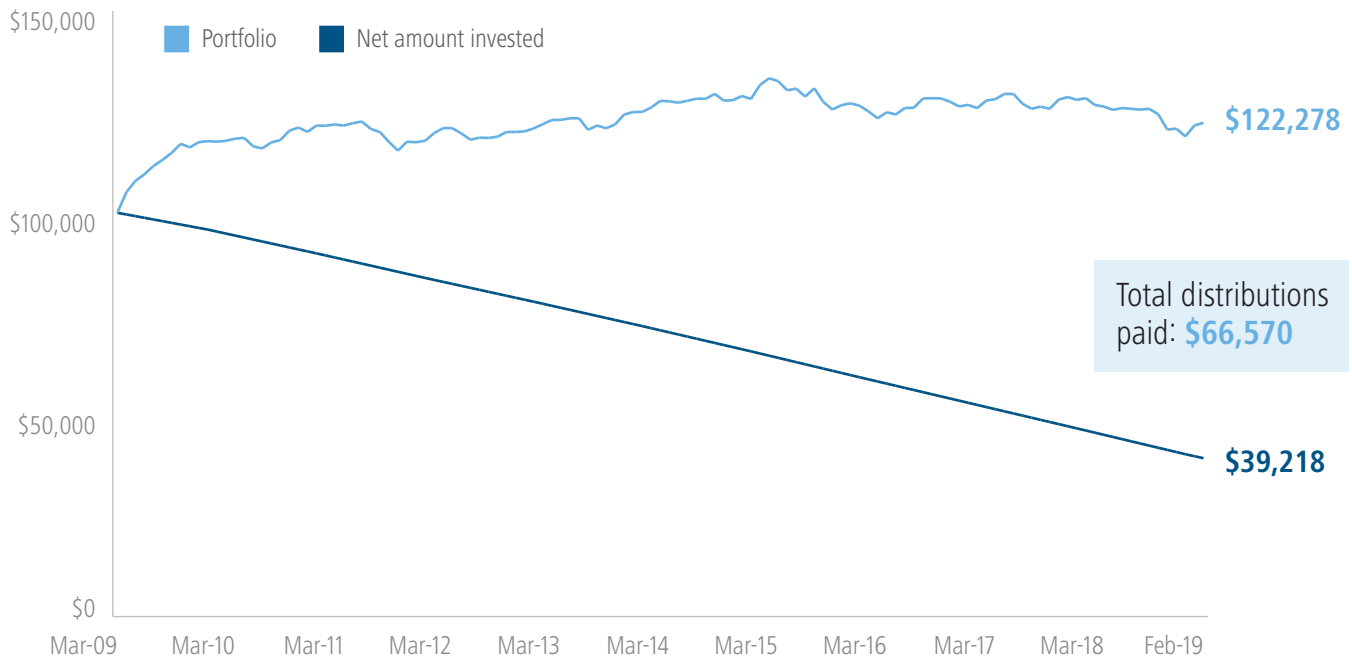


**Assumptions:** The investment in corporate class funds generates gains that are tax-deferred until the end of the 25-year period, then taxed as capital gains at an effective rate 25%. The dividend-paying investment is taxed annually at 34.5%. The interest-paying investment is taxed annually at 50%.

Source: Mackenzie Investments

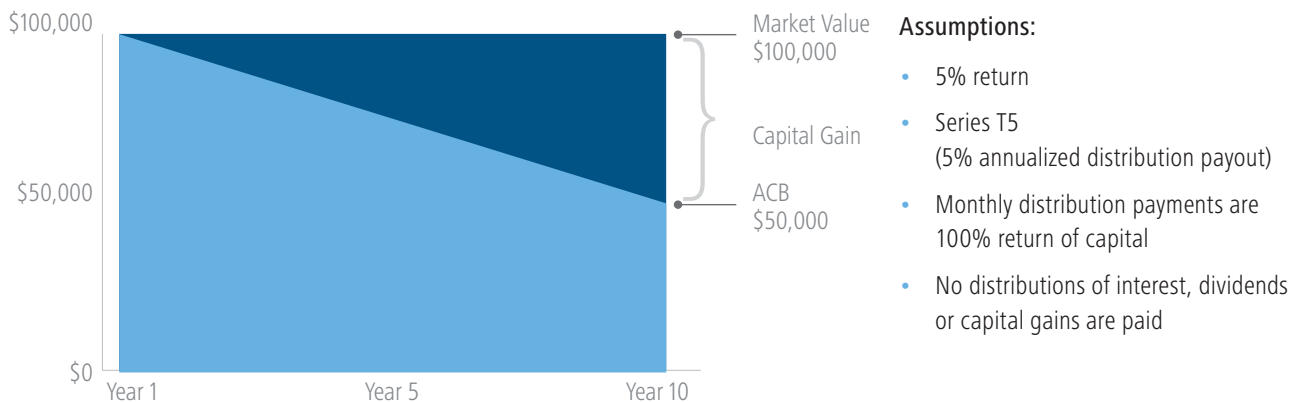
## Invest and Benefit from Regular Distributions

Hypothetical \$100,000 investment in Symmetry Conservative Portfolio Corporate Class with distributions payment at a rate of 5%.



## Understanding Return of Capital (ROC)

- ROC reduces the investment's adjusted cost base (ACB) by the amount distributed.
- Cash flow is tax deferred until the shares are sold, or the investor's ACB is zero.



### Assumptions:

- 5% return
- Series T5 (5% annualized distribution payout)
- Monthly distribution payments are 100% return of capital
- No distributions of interest, dividends or capital gains are paid

Source: Mackenzie Investments

# ESTATE & MANDATE

## Legal Heirs – Without Having Made Testamentary Provisions

Spouse married or civil union	Without children	2/3 to legal spouse
		1/3 to parents
	With child	1/3 to legal spouse
		2/3 to child
Single, widowed, common-law partner or divorced	Without children	1/2 to parents
		1/2 to brothers and sisters
	With child	100 % to children

Source: Civil code of Québec

## 3 Types of Wills Recognized by Québec Law

- **Authentic (or notarized) will:** this will is always received by a notary and a witness (or two witnesses in some cases).
- **Holograph will:** this will must be entirely handwritten by the testator. This means that the law does not allow the testator to use a typewriter, computer or any other technical means to write the will. The testator must sign the will him- or herself, but the presence of witnesses is not required.
- **Will made before witnesses:** the testator does not have to write the will by hand. The will may be typewritten, but it must be signed by the testator or by a third party on the testator's behalf, in the testator's presence and according to his or her instructions. The testator must declare that the will is his or hers in the presence of two witnesses who meet specific requirements. These witnesses must also sign the will in the presence of the testator.

A notarized will takes effect upon death. It is not subject to probate because the law recognizes notaries as public officers and allows them to confer authenticity on their wills. This is not the case for holograph will and wills made before witnesses. To have legal effect, these documents must be probated by a notary or by the court.

The information above is not intended to constitute legal advice.

Source: [www.cmq.org](http://www.cmq.org)

## Power of Attorney vs Protection Mandate in Case of Incapacity

### What should a power of attorney stipulate?

A power of attorney allows you to appoint a person or mandatary to act on your behalf in certain circumstances. The power of attorney may stipulate a series of powers you want to entrust to your mandatary.

If you plan to be away for an extended period of time, you may wish to authorize your mandatary to do everything you yourself would do. For example, the mandatary may pay your rent or mortgage, carry out banking transactions, renew your insurance policies, etc.

It is always best to lay out the mandatary's powers clearly. In this way, you can authorize your mandatary to act in only specific situations, if you so wish. For example, a mandate may cover only the sale of your property in accordance with conditions you have specified. Your mandatary would then be required to take only the action required for this purpose.

Your notary is fully qualified to advise you on the contents of a power of attorney and draw up the document according to your specific needs.

### Do not confuse power of attorney with protection mandate in case of incapacity

You should not confuse a power of attorney with a protection mandate in case of incapacity.

A power of attorney only temporarily mitigates a person's physical inability to take care of his or her affairs (for instance, as mentioned earlier, during an extended stay abroad). A power of attorney is valid only if the mandator, or person represented, is able to take care of his or her own well-being and property. If the person becomes incapacitated, the power of attorney is no longer valid. A protection mandate in case of incapacity is intended to address the mandator's incapacity, whether temporary or permanent.

The information above is not intended to constitute legal advice.  
Source: [www.cnq.org](http://www.cnq.org)



# ANNEX

## 2018 Personal Income Tax Table (Québec Residents)

2018 Personal Income Tax Table (Québec Residents)							
Taxable Income (\$)	Federal Tax (\$)	Marginal Rate (%)	Québec Tax (\$)	Marginal Rate (%)	Combined Tax (\$)	Combined Effective Rate (%)	Combined Marginal Rate (%)
15,000	400	12.53%	0	15.00%	400	2.67%	27.53%
20,000	1,026	12.53%	748	15.00%	1,774	8.87%	27.53%
25,000	1,652	12.53%	1,498	15.00%	3,150	12.60%	27.53%
30,000	2,278	12.53%	2,248	15.00%	4,526	15.09%	27.53%
35,000	2,905	12.53%	2,998	15.00%	5,903	16.87%	27.53%
40,000	3,531	12.53%	3,748	15.00%	7,279	18.20%	27.53%
43,055	3,914	12.53%	4,206	20.00%	8,120	18.86%	32.53%
46,605	4,358	17.12%	4,916	20.00%	9,274	19.90%	37.12%
50,000	4,939	17.12%	5,595	20.00%	10,534	21.07%	37.12%
60,000	6,651	17.12%	7,595	20.00%	14,246	23.74%	37.12%
70,000	8,363	17.12%	9,595	20.00%	17,958	25.65%	37.12%
80,000	10,075	17.12%	11,595	20.00%	21,670	27.09%	37.12%
86,105	11,120	17.12%	12,816	24.00%	23,936	27.80%	41.12%
90,000	11,786	17.12%	13,751	24.00%	25,537	28.37%	41.12%
93,208	12,335	21.71%	14,521	24.00%	26,856	28.81%	45.71%
100,000	13,810	21.71%	16,151	24.00%	29,961	29.96%	45.71%
104,765	14,844	21.71%	17,295	25.75%	32,139	30.68%	47.46%
125,000	19,238	21.71%	22,505	25.75%	41,743	33.39%	47.46%
144,489	23,469	24.22%	27,524	25.75%	50,993	35.29%	49.97%
150,000	24,803	24.22%	28,943	25.75%	53,746	35.83%	49.97%
200,000	36,911	24.22%	41,818	25.75%	78,729	39.36%	49.97%
205,842	38,325	27.56%	43,322	25.75%	81,647	39.66%	53.31%
500,000	119,380	27.56%	119,068	25.75%	238,448	47.69%	53.31%
1,000,000	257,155	27.56%	247,818	25.75%	504,973	50.50%	53.31%

Source: www.CQFF.com

## 2018 Personal Income Tax Table (Ontario Residence)

### Ontario 2018

Taxable Income	Marginal Tax Rates (%)			
	Interest and Regular Income	Capital Gains	Non-eligible Canadian Dividends	Eligible Canadian Dividends
\$0 to 11,809	–	–	–	–
11,809 to 15,086	15.00	7.50	5.76	-0.03
15,087 to 19,819	25.10	12.55	10.24	-13.69
19,820 to 42,960	20.05	10.02	8.00	-6.86
42,961 to 46,605	24.15	12.08	12.76	-1.20
46,606 to 75,652	29.65	14.83	19.14	6.39
75,653 to 85,923	31.48	15.74	21.26	8.92
85,924 to 89,133	33.89	16.95	24.06	12.24
89,134 to 93,208	37.91	18.96	28.72	17.79
93,209 to 144,489	43.41	21.71	35.10	25.38
144,490 to 150,000	46.41	23.21	38.58	29.52
150,001 to 205,842	47.97	23.99	40.39	31.67
205,843 to 220,000	51.97	25.99	45.03	37.19
220,001 and over	53.53	26.77	46.84	39.34

Source: Mackenzie Investments

### Ontario Dividend Tax Credits and Gross-Up

Gross-up (Eligible Dividends)	38.00%
Gross-up (Non-eligible Dividends)	16.00%
Dividend Tax Credit (Eligible Dividends)	10.00%
Dividend Tax Credit (Non-eligible Dividends)	3.12%

## Part of a Multidisciplinary Team

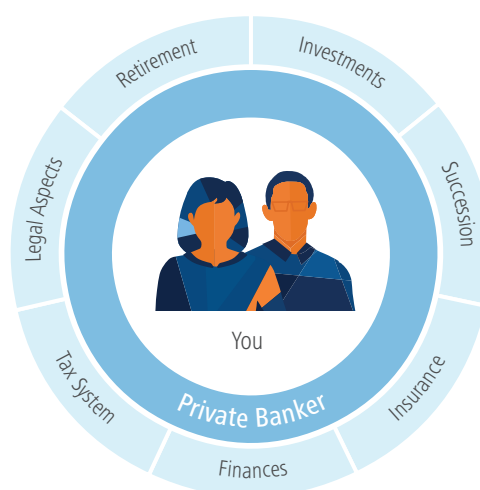
### At the center of a multidisciplinary team

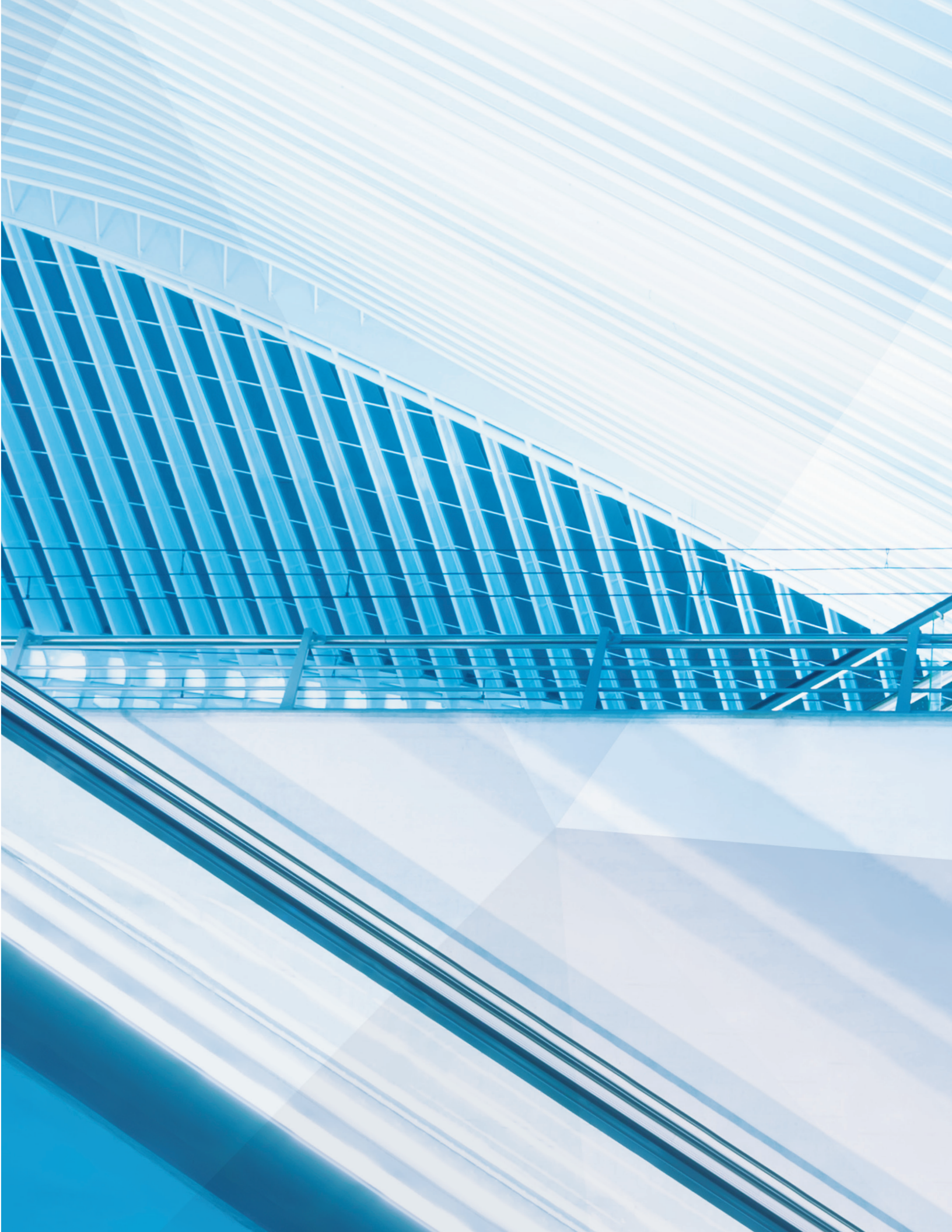
Laurentian Bank Financial Group specialists (advisors, financial planning and credit experts, Laurentian Bank Securities investments advisors, commercial account directors) and our external partners (tax experts, notaries, etc.) are all actively working together to ensure your succeed.

Having access to many experts will ensure you receive more exhaustive answers. Your private banker is part of a multi-disciplinary team of talented and driven professionals who are available to advise you according to your specific needs.

### Is Laurentian Bank Private Banking right for me?

Private Banking is synonymous with going the extra mile for more affluent investors. Our clients include entrepreneurs, corporate executives, professionals and other individuals seeking personalized service for the management of their financial needs.





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FAX	1-866-766-6623
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