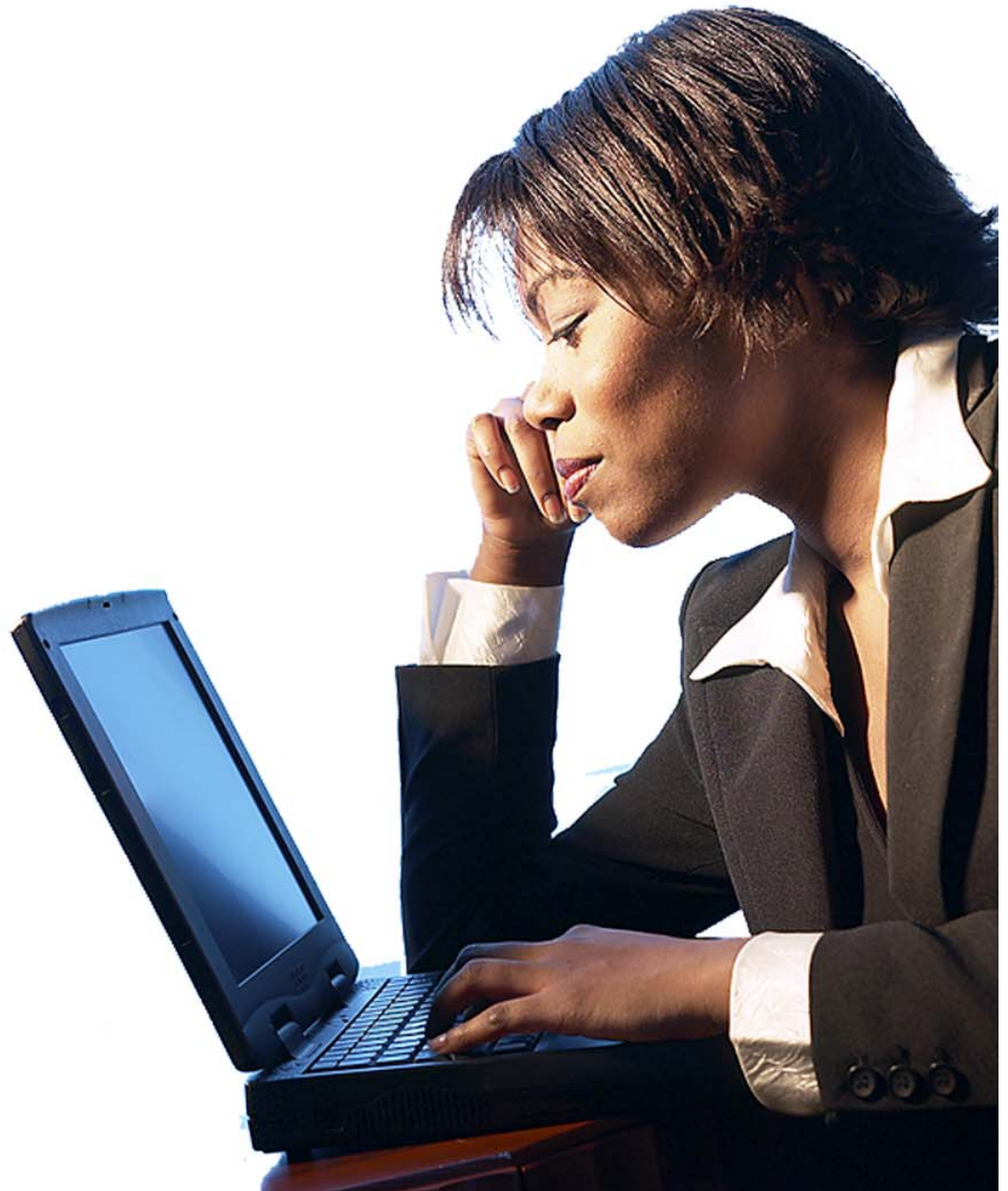




**NaviPlan Standard v11.0**  
REFERENCE GUIDE  
Financial Assessment







# **NaviPlan Standard Reference Guide: Financial Assessment**

**Canadian version 11.0**

EISI, Winnipeg

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# Chapter 1: Using this guide

The NaviPlan Standard Reference Guide Series includes all the reference material you need for using NaviPlan Standard effectively. This chapter will help you use all guides in this series. More guides are available at

[http://support.eisi.com/support\\_cdn/nps\\_offline/v11/tips\\_and\\_tools/reference\\_guides.htm](http://support.eisi.com/support_cdn/nps_offline/v11/tips_and_tools/reference_guides.htm)

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## The NaviPlan Standard Reference Guide Series

The NaviPlan Standard Reference Guides are organized based on the tasks you can accomplish in each level. If you are a new NaviPlan Standard user, start with the Introduction guide.

Reference guide	Tasks covered
Introduction	<ul style="list-style-type: none"> <li>• using NaviPlan Standard for the first time</li> <li>• learning how to navigate in NaviPlan Standard</li> <li>• setting up user preferences</li> <li>• creating and managing client engagements</li> <li>• determining which plan or assessment level to select to enter financial information</li> <li>• using NaviPlan Standard workflow</li> </ul>
Financial Assessment	<ul style="list-style-type: none"> <li>• assessing your clients' current financial situation</li> </ul>
Asset Allocation Assessment	<ul style="list-style-type: none"> <li>• entering account information</li> <li>• determining your clients' investor profile</li> </ul>
Calculators	<ul style="list-style-type: none"> <li>• modelling specific aspects of your clients' finances, such as retirement savings and debt management</li> </ul>
Level 1	<ul style="list-style-type: none"> <li>• entering financial planning assumptions</li> <li>• entering detailed net worth, cash flow, and insurance information</li> <li>• analyzing your clients' goals using <i>Current Plan</i> and <i>Recommended</i> side-by-side comparisons</li> <li>• generating client reports</li> </ul>
Level 2	<p>Applicable Level 1 information plus,</p> <ul style="list-style-type: none"> <li>• adding holding details to accounts</li> <li>• conducting Monte Carlo simulations</li> <li>• conducting detailed cash flow and net worth analyses</li> <li>• detailed and comprehensive insurance planning</li> </ul>

## Conventions used in the reference guide

This reference guide uses the following conventions:

- The names of items that are labelled in the NaviPlan Standard window are italicized. For example,

The *Clients* page opens.

- The names of items you are instructed to select, click, or enter appear in bold. For example,

Select **Recommended**, and then click **OK**.

- The names of sections, categories, and pages are separated by en dashes (–). For example,

Go to the **Client Management** section – **Client List** category – **Clients** page.

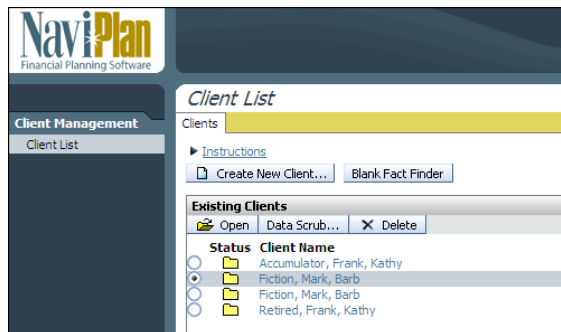


Figure 1: Client Management section – Client List category – Clients page

## Essential Windows skills

This guide assumes that you know how to do the following tasks:

- Use the mouse (e.g., click, double-click, right-click, point, and drag)
- Move, resize, and close a dialog box
- Navigate through a dialog box and use scroll bars
- Choose menu commands and select options from dialog boxes and lists


If you are unsure about any of these Windows essentials, refer to the Microsoft Windows user documentation.

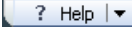
## Finding more information

If you have a question that is not answered in this guide, there are other places to look for additional information.


### Help

The quickest way to get information about any command, dialog box, or item within NaviPlan Standard is to use the Help.

Clicking  next to *Help* reveals a list of other resources where you can obtain information.

To access the Help, click the **Help** button  at the top of the current window.

OR

Click the *Help* button  at the top of the dialog box. Some dialog boxes do not have *Help* buttons. However, you can click the *Help* button on the underlying page to access Help that discusses both the page and the dialog box.


### Navigating in Help

When you click the *Help* button at the top of the NaviPlan window, Help appears for the page or report you are viewing.

In the Help, you can also use the *Search* feature to find information.

### Help sections

Help topics in NaviPlan are divided into sections that describe the related page, dialog box, report, or graph in different contexts.

Clicking the  next to a heading reveals additional information below the heading.

Help section	Description
<i>Procedures</i>	Contains a list of procedures. Each procedure contains step-by-step instructions that explain how to accomplish a task. This section is not available for reports and graphs.
<i>Screen Details</i>	Contains a list of window or dialog box components. The Help for each component explains the various fields, buttons, and check boxes that appear on-screen. <i>Screen Details</i> are not available for reports or graphs.
<i>Report Details/ Graph Details</i>	Describes all the report or graph details that could appear for the given report or graph. These sections only appear in Help describing reports or graphs.

Help section	Description
<i>Related Information</i>	Provides additional information, or access to additional information (through links), related to the page, dialog box, report, or graph in question. This section only appears when related information is available.


## www.eisi.com

Visit our Web site ([www.eisi.com](http://www.eisi.com)) for information on NaviPlan products and solutions, and to access the latest news regarding NaviPlan development.

## NaviPlan Standard resources

EISI provides several resources to help you use NaviPlan. In addition to online Help, telephone, and fax support, you can access resources from within NaviPlan and on the Internet.

To access resources from within NaviPlan, follow these steps:

1. Click  beside *Help*, and then select **Support**. The *Support* dialog box opens.

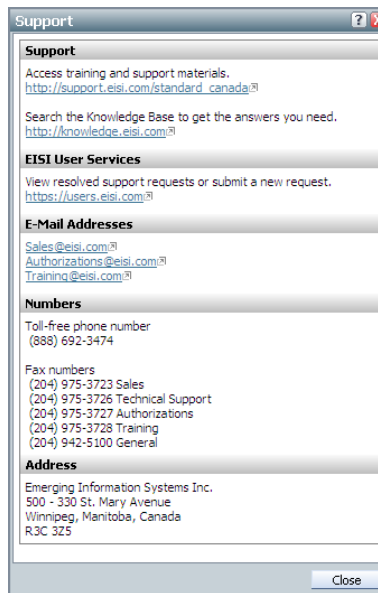


Figure 2: Support dialog box

2. Click the appropriate link. Your Web browser opens the applicable page.

3. In NaviPlan Standard, click **Close**. The *Support* dialog box closes.

EISI resource	Description and location
<i>EISI User Services</i>	EISI's Technical Support department offers <i>EISI User Services</i> , an easy-to-use application that allows you to search for solutions to NaviPlan issues or to submit technical support requests. You can access <i>EISI User Services</i> from within NaviPlan or online at <a href="https://users.eisi.com">https://users.eisi.com</a>
<i>EISI Knowledge Base</i>	The <i>EISI Knowledge Base</i> is a database comprised of the following resources: <ul style="list-style-type: none"> <li>• support issues</li> <li>• functional documents</li> <li>• self-study guides</li> <li>• training video clips</li> <li>• frequently asked questions (FAQs)</li> </ul> You can access the <i>EISI Knowledge Base</i> from within NaviPlan or online at <a href="http://knowledge.eisi.com">http://knowledge.eisi.com</a>
Functional documents	Functional documents explain NaviPlan functionality, underlying assumptions, and results calculations. You can access functional documents from the application Help or by searching the <i>EISI Knowledge Base</i> at <a href="http://knowledge.eisi.com">http://knowledge.eisi.com</a>
Training video clips	Our training video clips contain about 20 minutes of audio and visual instruction that you can use on your computer. These clips are obtained from the Fundamentals, Intermediate, and Advanced NaviPlan Standard courses. You can access the Training video clips at <a href="http://support.eisi.com/support_cdn/nps_offline/v11/training/index.htm">http://support.eisi.com/support_cdn/nps_offline/v11/training/index.htm</a>
Learning guides	You can go through the NaviPlan Standard training courses at your own pace using the learning guides. You can access the learning guides at <a href="http://support.eisi.com/support_cdn/nps_offline/v11/training/index.htm">http://support.eisi.com/support_cdn/nps_offline/v11/training/index.htm</a>
Live Web-based training	You can have your questions answered by a NaviPlan Training Specialist in a virtual classroom setting. Register for live Web-based training at <a href="http://support.eisi.com/support_cdn/nps_offline/v11/training/index.htm">http://support.eisi.com/support_cdn/nps_offline/v11/training/index.htm</a>


EISI resource	Description and location
In-person training	If you require an interactive training experience, you can request in-person training in your area. To arrange a session, please call (888) 692-3474, option 5.
NaviPlan <i>Dialogs</i> newsletter	Read NaviPlan <i>Dialogs</i> regularly for tips on using NaviPlan products effectively. This newsletter also provides details on available training options and features of new NaviPlan releases. The latest newsletter and archived editions are available at <a href="http://support.eisi.com/support_cdn/nps_offline/v11/tips_and_tools/dialogs.htm">http://support.eisi.com/support_cdn/nps_offline/v11/tips_and_tools/dialogs.htm</a>
Release Notes	EISI Release Notes highlight new features and program upgrades in the latest NaviPlan Standard Online/Offline release. You can access the Release Notes at <a href="http://support.eisi.com/support_cdn/nps_offline/v11/product_updates/new_in_v11_2.htm">http://support.eisi.com/support_cdn/nps_offline/v11/product_updates/new_in_v11_2.htm</a>

### Phone and fax support

You can contact us by

- Telephone: **(888) 692-3474**  
(Monday–Friday, 7a.m.–7p.m. Central Time)
- Fax: **(204) 975-3726**

### The About dialog box

- From within NaviPlan Standard, click  beside *Help*, and then select **About**. The *About* dialog box opens. Using the tabs in this dialog box, you can determine what version of NaviPlan Standard you are using or change the authorization status of your NaviPlan software.

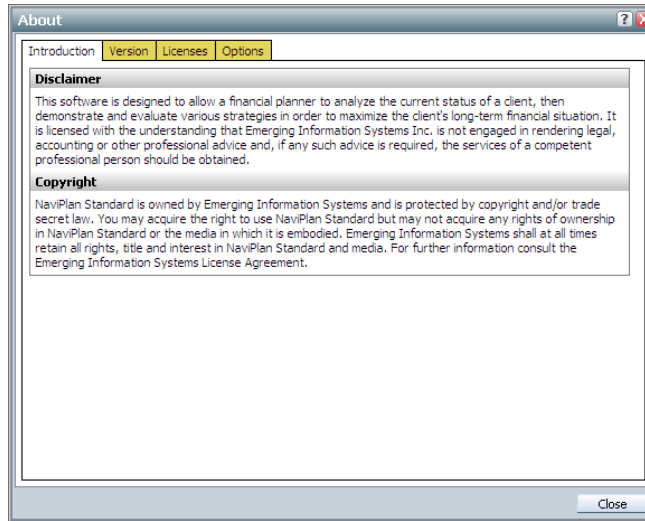


Figure 3: About dialog box – Introduction tab

For further information, review the following:

Information	Location
Disclaimer and copyright	About dialog box – Introduction tab
NaviPlan version number	About dialog box – Version tab
License agreement	About dialog box – Licenses tab
NaviPlan Standard license options	About dialog box – Options tab

## Feedback

If you have comments or suggestions for improving any of the NaviPlan Standard Reference Guides, you can send us feedback at [documentation@naviplan.com](mailto:documentation@naviplan.com)

When sending feedback, please mention the applicable guide, chapter, and section. We collect and review all feedback for future improvements. No direct response will be sent to you.

## Chapter 2: Entering Financial Assessments

To obtain a picture of your clients' current financial situation and to assess if their financial goals will be met, create a Financial Assessment, and then generate a *Financial Needs Assessment* report to analyze the results.

**Note:** This guide assumes that you have already used NaviPlan to create and open a client file and engagement. For information about creating and managing client files and Financial Assessments, see the NaviPlan Standard Reference Guide: Introduction.

### In this chapter:

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## Selecting modules

The *Retirement* module can either be simple or detailed. If you want to enter specific details for the clients' government benefits or defined benefit pension benefits, model retirement accounts such as spousal RRSPs, defined contribution pension plans, and locked-in retirement accounts (LIRAs), or specify to which account type (non-registered, RRSP, or RRSP spousal) additional savings should be directed, you must choose the detailed retirement mode.

To use the detailed retirement mode, either click the **Detailed Retirement** button on the *Financial Assessment* section – *Financial Assessment* category – *Select Modules* page.

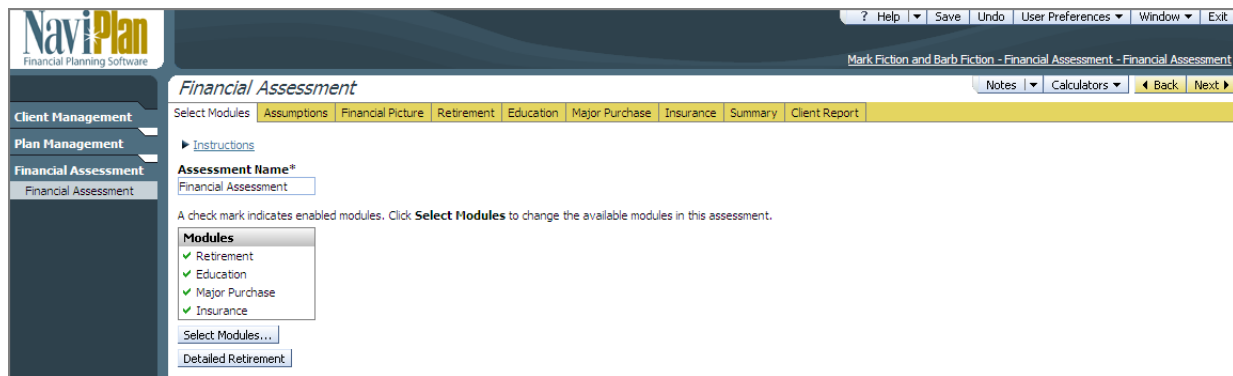


Figure 4: Financial Assessment section – Financial Assessment category – Select Modules page

OR

Select the **Detailed** option on the *Plan Creation* dialog box – *Modules* screen during assessment creation.

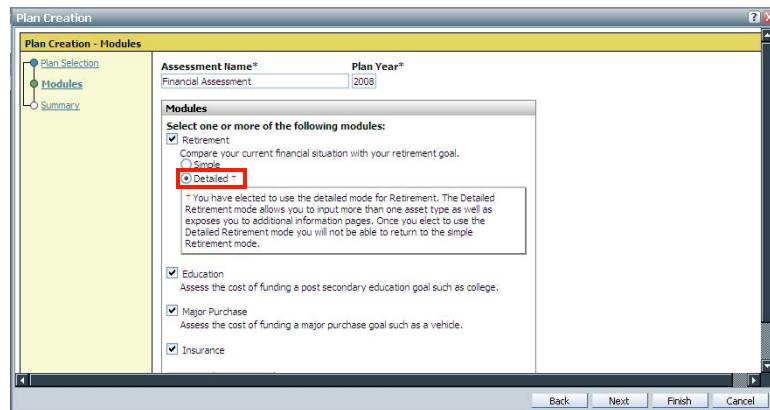


Figure 5: Plan Management section – Plan List category – Plans page – New – Plan Creation dialog box – Modules tab

## Entering RRSP, inflation, and tax assumptions

On the *Assumptions* page, you can specify amounts that will affect the client's RRSP contributions, such as the previous year's income or pension adjustments. You can also specify the basic inflation rate and the client's and co-client's income tax brackets before and during retirement, and in the year of death. The tax rate for dependants can also be defined.

To enter the clients' RRSP, inflation, and tax assumptions, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Assumptions** page.

The screenshot shows the 'Financial Assessment' software interface. The main window title is 'Mark Fiction and Barb Fiction - Financial Assessment - Financial Assessment'. The left sidebar shows a navigation menu with 'Financial Assessment' selected. The main content area is titled 'Financial Assessment' and contains the following sections:

- RRSP Contributions:** A table with columns for 'Mark' and 'Barb'. Rows include '2007 Earned Income', '2007 Pension Adjustment', 'RRSP Overcontribution Balance', and 'Unused RRSP deduction limit at the end of 2007'. The '2007 Earned Income' field for Mark is currently set to '\$0'.
- Inflation:** A section with a 'Base Inflation Rate' set to '3.00%' and a link to 'Inflation Rate Graph...'
- Tax Rates:** A section with sub-sections for 'Mark', 'Barb', and 'Dependants'. Each sub-section has a table with columns for 'Tax Bracket', 'Average\*', and 'Marginal\*'. For Mark, Barb, and Dependants, the 'Pre-Retirement' and 'Retirement' tax brackets are '\$50,001 - \$60,000' with an 'Average\*' rate of 24.44% and a 'Marginal\*' rate of 34.80%. The 'Year of Death' tax bracket is also '\$50,001 - \$60,000' with an 'Average\*' rate of 24.44% and a 'Marginal\*' rate of 34.80%. For Dependants, the 'Tax Rate' is '\$0 - \$10,000' with an 'Average\*' rate of 2.47% and a 'Marginal\*' rate of 22.70%.

A note at the bottom states: 'Note: The tax rates shown are federal tax rates plus the appropriate provincial rates calculated on a progressive basis for the jurisdiction and level of income to which they apply.'

Figure 6: Financial Assessment section – Financial Assessment category – Assumptions page

2. Under *RRSP Contributions*, enter the client's previous year's income. The allowable limit is initially 18% of the previous year's income up to the yearly maximum.
3. If the client is a member of a pension plan at work, enter the pension adjustment amount (from the T4 statement). This value will be deducted from the allowable limit.

4. If the client has an outstanding overcontribution balance, enter the overcontribution amount in the *RRSP Overcontribution Balance* field. This value will be deducted from the allowable limit for the current year.
5. If the client has not made contributions that meet their maximum allowable contribution, enter the RRSP Deduction Carryforward amount from the client's Notice of Assessment. This value is added to the allowable limit for the current year.
6. To view a graph of historical inflation rates, click the **Inflation Rate Graph** button under *Inflation*. By default, the graph displays inflation rate information from 1915 to the present. You can generate graphs displaying inflation rate information for the last 25 years or the last 10 years by clicking the links under *Select a graph to view*. When done viewing, click **Close**.
7. To change the inflation rate, enter another percentage in the *Base Inflation Rate* field.
8. Under *Tax Rates*, set income tax rates for the time periods in the clients' lives and for their dependants.

NaviPlan automatically calculates tax rates for the defined income. You can override the calculated tax rates by entering the desired rates into the appropriate fields.

If any of the tax rates change, a note appears on the page and an arrow appears beside each edited tax rate.

## Creating a financial picture

To create a financial picture using the Financial Assessment, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Financial Picture** page.

The screenshot shows the NaviPlan Financial Assessment software interface. The main window is titled "Financial Assessment" and displays the "Financial Picture" page. The interface includes a sidebar with navigation options: Client Management, Plan Management, and Financial Assessment. The main area is divided into several sections:

- Lifestyle Assets:** A table listing assets and their amounts.
 

Asset	Amount
Residence	\$250,000
Cottage	\$150,000
Personal Use Property	\$80,000
Listed Personal Property	\$100,000
<b>Total</b>	<b>\$580,000</b>
- Liabilities:** A table listing liabilities, outstanding amounts, interest rates, and monthly payments.
 

Liability	Outstanding Amount	Interest Rate	Monthly Payments
Mortgage	\$250,000	7.00%	\$2,000
Car Loans	\$60,000	8.00%	\$1,000
Personal Loans	\$18,000	8.00%	\$500
Other	\$10,000	12.00%	\$500
<b>Total</b>	<b>\$338,000</b>		<b>\$4,000</b>
- Annual Income:** A table showing annual income for Mark and Barb.
 

	Mark	Barb
Annual Income	\$120,000	\$120,000
- Monthly Expenses:** A table listing monthly expenses and their amounts.
 

Expense	Amount
Housing (e.g. utilities, repairs)	\$1,000
Food	\$600
Transportation (e.g. gas, insurance)	\$600
Entertainment (e.g. restaurants, movies)	\$400
Personal (e.g. clothing, hobbies)	\$600
Other (e.g. child care, travel)	\$600
Mortgage	\$2,000
Car Loans	\$1,000
Personal Loans	\$500
Other	\$500
<b>Total</b>	<b>\$7,800</b>

Figure 7: Financial Assessment section – Financial Assessment category – Financial Picture page

2. Enter all applicable lifestyle assets, liabilities, incomes, and expenses. If the payment amount does not cover the interest rate of the liability, revise the payment amount to exceed the interest amount.

## Using the Retirement module

In NaviPlan, retirement begins on January 1 of the year when the first client retires and ends on December 31 of the year when the last client dies. In general, NaviPlan assesses needs in each year of the retirement period and compares them to the resources available for retirement funding. If a shortfall or overfunding is expected, NaviPlan presents recommendations in either event.

Retirement needs include desired annual retirement income and liability payments that extend into the retirement period.

Retirement resources include estimated annual pension income, Canada/Quebec pension plan benefits, Old Age Security benefits, and all registered and non-registered accounts. Only the non-registered accounts entered on the *Retirement* page are available for the

retirement goal. Savings entered for another goal, such as major purchase, are non-registered but only available for the major purchase goal.

Lifestyle assets, such as homes, are not sold to fund retirement needs.

Two modes of data-entry are available for the *Retirement* module: simple and detailed.

- *Simple* retirement mode – NaviPlan assumes that the client is 100% eligible for CPP/QPP and OAS benefits starting at retirement. You can enter summary information about the clients' registered accounts (which NaviPlan converts to RRIFs at retirement) and non-registered retirement accounts.
- *Detailed* retirement mode – You can enter specific details for the clients' CPP/QPP and OAS benefits or defined benefit pension benefits, model retirement accounts such as spousal RRSPs, defined contribution pension plans, or LIRAs, enter details for the conversion to retirement income funds, and specify to which account type (non-registered, RRSP, or RRSP Spousal) additional savings should be directed.

To use the detailed retirement mode, you must either click the **Detailed Retirement** button on the *Financial Assessment* section – *Financial Assessment* category – *Select Modules* page.

OR

You can select the **Detailed** option on the *Plan Creation* dialog box – *Modules* screen during assessment creation.

## Using the simple retirement mode

To use the *Retirement* module in simple retirement mode, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Retirement** page.

The screenshot shows the NaviPlan Financial Assessment software interface. The main window is titled "Financial Assessment" and displays the "Retirement" page. The interface includes a navigation menu on the left with options like "Client Management", "Plan Management", and "Financial Assessment". The main content area is divided into two sections: "Retirement Information" and "Investment Accounts for Retirement".

**Retirement Information**

Desired annual retirement income (after tax in today's \$)  Index at

	Mark	Barb
Retirement Age	<input type="text" value="60"/>	<input type="text" value="65"/>
Life Expectancy	<input type="text" value="90"/>	<input type="text" value="90"/>
Estimated Annual Pension Income (in today's \$)	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>

**Investment Accounts for Retirement**

	Mark	Barb	Joint
<b>Non-Registered Accounts</b>			
Current Value	<input type="text" value="\$10,000"/>	<input type="text" value="\$5,000"/>	<input type="text" value="\$20,000"/>
Current Monthly Savings	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>
<b>Registered Accounts</b>			
Current Value	<input type="text" value="\$1,000"/>	<input type="text" value="\$500"/>	
Current Monthly Savings	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>	
Assumed Return Rate	<input type="text" value="6.00%"/>	<input type="text" value="6.00%"/>	<input type="text" value="6.00%"/>

A green progress bar on the right side of the "Registered Accounts" section shows 100% completion. A button labeled "What are my options?..." is located at the bottom left of the form.

Figure 8: Financial Assessment section – Financial Assessment category – Retirement page (simple retirement mode)

- Under *Retirement Information*, enter the combined desired after-tax income of the client and co-client upon retirement.  
This amount should be large enough to include all lifestyle expenses and insurance premiums that are expected during retirement.
- To index the retirement income to inflation, enter the rate of inflation in the *Index at* field.
- Enter the retirement age and life expectancy for each client.
- Enter the clients' estimated annual pension income. This amount should not include government pensions such as CPP and OAS.
- Under *Investment Accounts for Retirement*, enter the current value of non-registered and registered accounts, and the monthly contributions. Monthly savings start January 1 of the plan year and end December 31 of the year prior to retirement.
- Enter the rate of return you expect the investment accounts to earn.  
**Note:** The graph on this page updates as you enter different values. NaviPlan Standard calculates the percentage of the retirement goal that is expected to be covered assuming the clients use the given strategy.
- Click the **What are my options?** button. The *What are my options? - Retirement* dialog box opens. Under *Options*, alternative strategies are shown that would meet the retirement goal.

To display more information about a suggested option, hover the mouse over the ? icon.

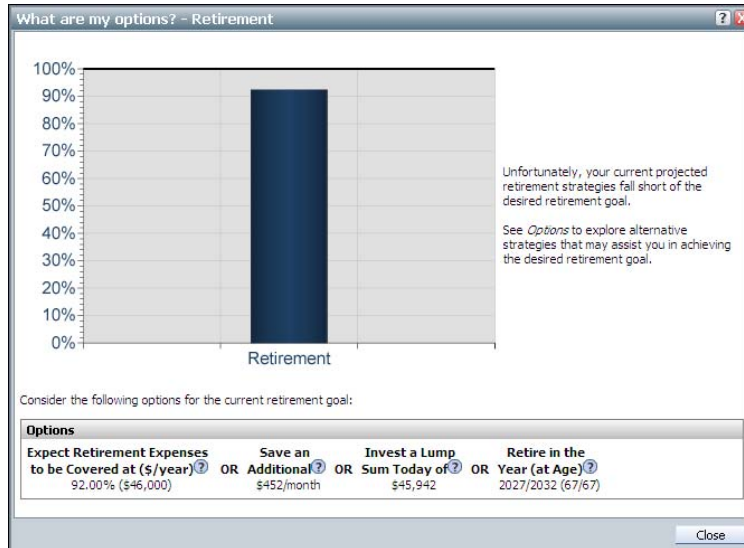


Figure 9: What are my options? - Retirement dialog box

9. Click **Close** to return to the *Retirement* page.

## Using the detailed retirement mode

To use the *Retirement* module in detailed retirement mode, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Retirement** page.

The screenshot displays the NaviPlan Financial Assessment software interface. The main window is titled "Financial Assessment" and shows the "Retirement Information" section. The "Desired annual retirement income (in today's \$ after tax)" is set to \$50,000, and the "Index at" rate is 3.00%. The "Retirement Age" for Mark is 60 and for Barb is 65. The "Life Expectancy" for both is 90. The "CPP/QPP Eligibility" and "OAS Eligibility" checkboxes are checked for both clients. The "Annual Defined Benefit Pension" is set to \$0 for both. The "Goal Coverage/Options" section shows a goal coverage of 62% and a button labeled "What are my options?...". The "Savings Preferences" section shows checkboxes for "RRSP", "RRSP Spousal", and "Non-Registered - Joint", with "Non-Registered - Joint" checked. The "Assumed Return Rate" section shows rates of 6.00% for Pre-Retirement and Retirement for Mark, Barb, and Joint.

Figure 10: Financial Assessment section – Financial Assessment category – Retirement page (detailed retirement mode)

2. Under *Retirement Information*, enter the combined desired after-tax income of the client and co-client upon retirement.  
This amount should be large enough to include all lifestyle expenses and insurance premiums that are expected during retirement.
3. To index the retirement income to inflation, enter the rate of inflation in the *Index at* field.
4. Enter the retirement age and life expectancy for each client, and then select the **CPP/QPP Eligibility** and **OAS Eligibility** check boxes for each client who is eligible to receive these benefits.
5. To enter additional details regarding the clients' CPP/QPP and OAS eligibility, click the applicable **Details** button, make your changes in the *Details* dialog box that opens, and then click **OK** to return to the *Retirement* page.
6. In the *Annual Defined Benefit Pension* field, enter the clients' estimated annual pension income, or to enter more detailed pension information, click the **Details** button. The *Defined Benefit Pension Details* dialog box opens. Select a calculation method, either **Estimate** or **Formula**, enter the pension details, and then click **OK** to return to the *Retirement* page.

7. Complete all the following procedures that apply:
  - “Entering non-registered account information” on page 18
  - “Entering registered retirement savings plan (RRSP)/RRSP spousal account information” on page 19
  - “Entering defined contribution information” on page 20
  - “Entering LIRA information” on page 21

This procedure does not apply to the simple retirement mode.

### Entering non-registered account information

To enter non-registered account information, follow these steps:

1. On the *Retirement* page, go to the **Non-Registered** tab.

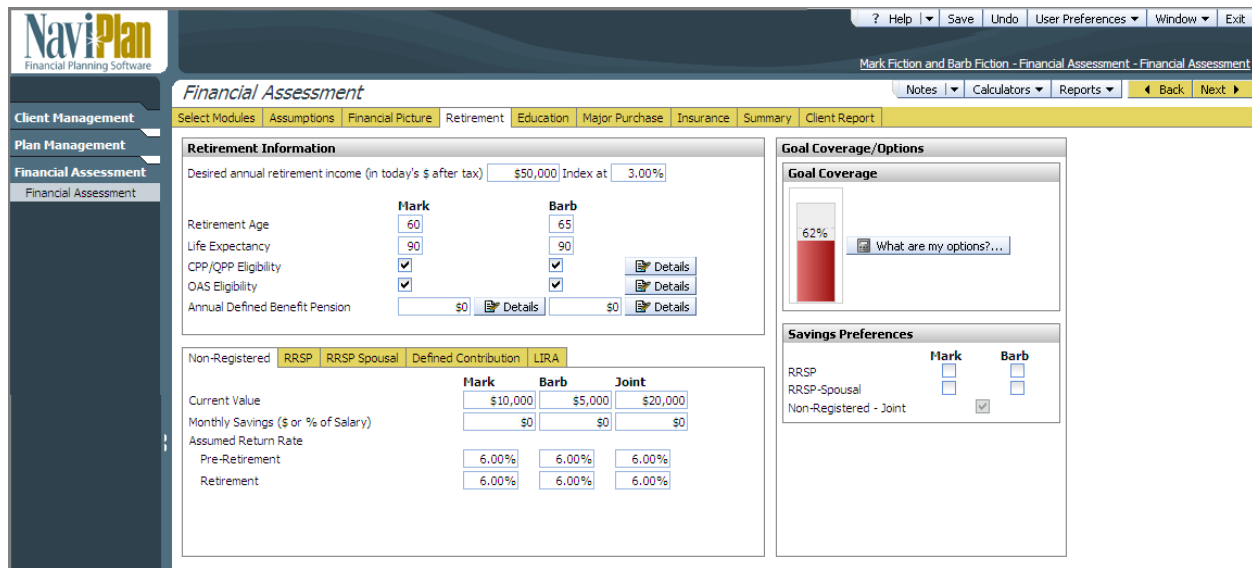


Figure 11: Financial Assessment section – Financial Assessment category – Retirement page – Non-Registered tab

2. Enter the current value of each client’s individually owned and the clients’ jointly-owned non-registered accounts that will be used to fund their retirement goal.
3. Enter monthly savings that will be contributed to the non-registered accounts.
4. In the *Assumed Return Rate* fields, enter the assumed rate of return for pre-retirement and retirement periods.

This procedure does not apply to the simple retirement mode.

## Entering registered retirement savings plan (RRSP)/RRSP spousal account information

To enter the clients' RRSP and RRSP spousal account information, follow these steps:

1. On the *Retirement* page, go to the **RRSP** or **RRSP Spousal** tab.

The screenshot displays the NaviPlan Financial Assessment software interface. The main window is titled "Financial Assessment" and shows the "Retirement" page with the "RRSP Spousal" tab selected. The interface is divided into several sections:

- Retirement Information:**
  - Desired annual retirement income (in today's \$ after tax): \$50,000; Index at: 3.00%
  - Retirement Age: Mark (60), Barb (65)
  - Life Expectancy: Mark (90), Barb (90)
  - CPP/QPP Eligibility:  (Mark),  (Barb)
  - OAS Eligibility:  (Mark),  (Barb)
  - Annual Defined Benefit Pension: \$0 (Mark), \$0 (Barb)
- Goal Coverage/Options:**
  - Goal Coverage: 62% (indicated by a red bar chart)
  - What are my options?...
- Savings Preferences:**
  - RRSP:  (Mark),  (Barb)
  - RRSP-Spousal:  (Mark),  (Barb)
  - Non-Registered - Joint:
- RRSP Spousal Tab (Current View):**
  - Current Value: Mark (\$0), Barb (\$0)
  - Monthly Savings (\$, % of Salary, or MAX): Mark (\$1,000), Barb (\$500)
  - Conversion:  (Mark),  (Barb)
  - Assumed Return Rate:
    - Pre-Retirement: 6.00% (Mark), 6.00% (Barb)
    - Retirement: 6.00% (Mark), 6.00% (Barb)

Figure 12: Financial Assessment section – Financial Assessment category – Retirement page – RRSP tab

2. Enter the current value of each client's RRSP accounts.
3. Enter the monthly savings that will be contributed to the RRSP accounts. To indicate that the employee will contribute the maximum amount as the federal limit increases, enter the keyword **max** in the *Monthly Savings (\$, % of Salary, or MAX)* field.
4. To set up the conversion to a retirement income fund, click **Details**. The *Account Setup* dialog box opens. See "Convert the RRSP or spousal RRSP to a registered retirement income fund (RRIF)" on page 22.
5. In the *Assumed Return Rate* fields, enter the assumed rate of return for the pre-retirement and retirement periods.

This procedure does not apply to the simple retirement mode.

### Entering defined contribution information

To enter the clients' defined contribution information, follow these steps:

1. On the *Retirement* page, go to the **Defined Contribution** tab.

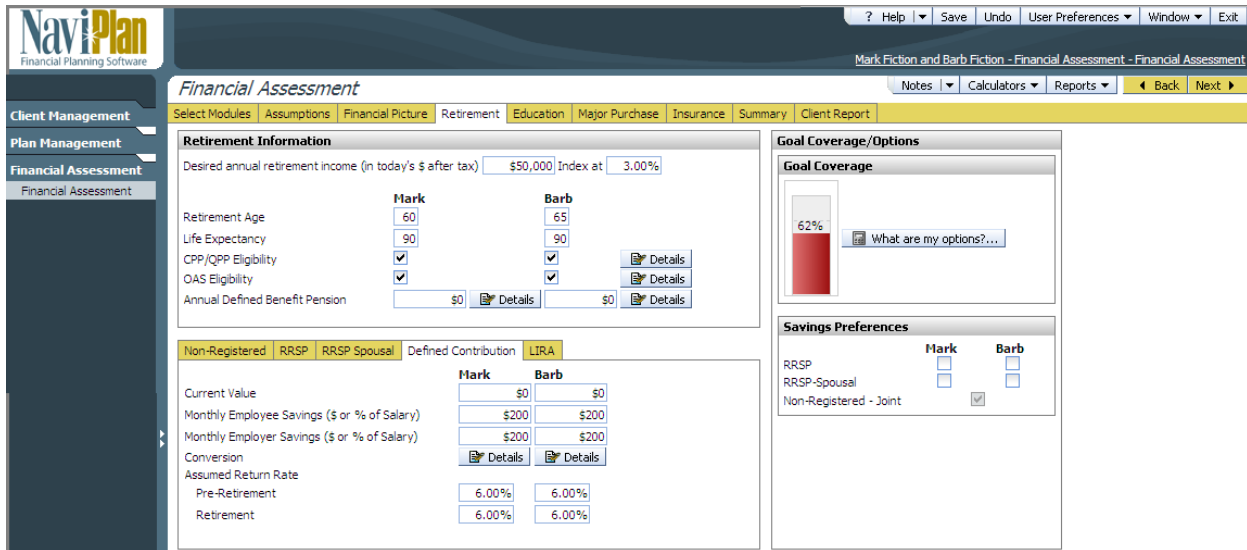


Figure 13: Financial Assessment section – Financial Assessment category – Retirement page – Defined Contribution tab

2. Enter the current value of each client's defined contribution pension plan.
3. Enter the monthly employee and employer savings that will be contributed to the client's defined contribution pension plan.
4. To set up the conversion to a retirement income fund, click **Details**. The *Account Setup* dialog box opens. See "Convert a defined contribution pension plan or a locked-in retirement account (LIRA) to a life income fund (LIF) or locked-in retirement income fund (LRIF)" on page 23.
5. In the *Assumed Return Rate* fields, enter the assumed rate of return for pre-retirement and retirement periods.

This procedure does not apply to the simple retirement mode.

### Entering LIRA information

To enter the clients' locked-in retirement account (LIRA) information, follow these steps:

1. On the *Retirement* page, go to the **LIRA** tab.

The screenshot displays the NaviPlan Financial Assessment software interface. The main window is titled "Financial Assessment" and shows the "Retirement" page. The "LIRA" tab is selected under the "Defined Contribution" category. The interface is divided into several sections:

- Retirement Information:**
  - Desired annual retirement income (in today's \$ after tax): \$50,000
  - Index at: 3.00%
  - Retirement Age: Mark (60), Barb (65)
  - Life Expectancy: Mark (90), Barb (90)
  - CPP/QPP Eligibility:  (Mark),  (Barb)
  - OAS Eligibility:  (Mark),  (Barb)
  - Annual Defined Benefit Pension: \$0 (Mark), \$0 (Barb)
- Goal Coverage/Options:**
  - Goal Coverage: 62% (indicated by a red bar chart)
  - What are my options?...
- Savings Preferences:**
  - RRSP:  (Mark),  (Barb)
  - RRSP-Spousal:  (Mark),  (Barb)
  - Non-Registered - Joint:
- Defined Contribution (LIRA) Section:**
  - Current Value: Mark (\$20,000), Barb (\$20,000)
  - Conversion:  (Mark),  (Barb)
  - Assumed Return Rate:
    - Pre-Retirement: 6.00% (Mark), 6.00% (Barb)
    - Retirement: 6.00% (Mark), 6.00% (Barb)

Figure 14: Financial Assessment section – Financial Assessment category – Retirement page – LIRA tab

2. Enter the current value of each client's locked-in retirement account (LIRA).
3. To set up the conversion to a retirement income fund, click **Details**. The *Account Setup* dialog box opens. See "Convert a defined contribution pension plan or a locked-in retirement account (LIRA) to a life income fund (LIF) or locked-in retirement income fund (LRIF)" on page 23.
4. In the *Assumed Return Rate* fields, enter the assumed rate of return for the pre-retirement and retirement periods.

### Setting up the conversion of registered plans to retirement income funds

In a Financial Assessment, you can set up the conversion of the following registered plans to retirement income funds:

- Registered retirement savings plans (RRSP) or spousal RRSPs can be converted to registered retirement income funds (RRIFs)

- Defined contribution pension plans or locked-in retirement accounts (LIRAs) can be converted to life income funds (LIFs) or locked-in retirement income funds (LRIFs)
- All registered plan types, except RESPs, can be converted to an annuity

### **Convert the RRSP or spousal RRSP to a registered retirement income fund (RRIF)**

1. On the *Retirement* page, go to the **RRSP** or **RRSP Spousal** tab.
2. Click **Details**.
3. Under *Convert to RRIF*, define when the RRSP will be converted. If you select *At Age*, specify the age when the RRSP will be converted.

**Note:** Conversion must take place by age 71 at the latest.

4. To use the younger client's age to calculate RRIF minimum payments, select the **Use younger partner's age for minimums** check box.
5. Click **OK**.

### **Convert the plan to an annuity (applies to all registered plan types except RESPs)**

**Note:** Accounts converted to a life annuity do not carry over to the spouse should the owner die.

1. On the *Retirement* page, go to the **<registered plan>** tab, and then click **Details**.
2. Click the **Annuity Information (Optional)** link. Additional fields appear.
3. Select the **Convert to Annuity** check box.
4. Specify the age when the plan is to be converted.

**Note:** Annuity legislation is constantly changing. In some legislative jurisdictions, conversion is mandatory at age 80, while in other areas, 90 is the mandatory age. Some jurisdictions have removed this restriction all together and leave it to the plan owner to decide when best to convert to an annuity. It is up to you to ensure that the applicable legislation is followed.

5. Enter the assumed annuity return rate.
6. Click **OK**.

### **Convert a defined contribution pension plan or a locked-in retirement account (LIRA) to a life income fund (LIF) or locked-in retirement income fund (LRIF)**

1. On the *Retirement* page, go to the **Defined Contribution** tab, and then click **Details**.
2. Select the type of fund you want to convert to: *LIF* or *LRIF*.
3. Under *Conversion Age*, indicate when the plan is to be converted. To specify the age, select **At Age** and enter the age.
4. If converting to a LIF, to use the maximum payout amount, select the **Use maximum payout amount** check box, and then enter the rate for determining the maximum withdrawal percentage.
5. If converting to a LIF, select the governing legislative area.
6. Click **OK**.

### **Determine whether the retirement goal is achievable**

Once you have completed the fields under *Retirement Information* on the *Retirement* page, NaviPlan Standard can provide feedback on current strategies.

Under *Goal Coverage*, the graph displays the percentage of the goal that is achievable using current strategies.

To see suggestions for other possible strategies, click the **What are my options?** button. The *What are my options – Retirement* dialog box opens. A graph displays the percentage of the goal that is achievable using current strategies. Some suggestions for other possible strategies appear at the bottom of the dialog box.

To close the *What are my options - Retirement* dialog box, click **Close**.

### **Direct additional monthly savings to account types**

On the *Retirement* page under *Savings Preferences*, select the account types to which additional monthly savings will be directed.

## Using the Education module

In general, NaviPlan assesses all needs associated with the education goal for each dependant and compares those needs to the clients' resources available for education funding. If a shortfall or overfunding is expected, NaviPlan presents recommendations for each dependant's education goal. In the Financial Assessment, there can only be one education goal for each dependant.

An education assessment can only be done for dependant family members; it cannot be done for the client or co-client. To enable an education goal for a new family member, go to the **Client Management** section – **Client Information** category – **Personal Information** page, and then add the family member. Next, create a new Financial Assessment.

To use the *Education* module, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Education** page.

	Lisa	David
Annual Education Costs (in today's \$)	\$4,560	\$4,560
Index Costs by	5.00%	5.00%
Education Start Age	18   2009	18   2012
Number of Years	4	4
Total Projected Cost	\$20,637	\$23,890

	Lisa	David
Current Amount Saved	\$1,200	\$1,200
Current Monthly Savings	\$0	\$0
Assumed Return Rate	6.00%	6.00%

Figure 15: Financial Assessment section – Financial Assessment category – Education page

2. Under *Education Objectives*, enter the estimated annual education costs, a percentage to index costs by, the family member's age when the education begins, and the duration of the education goal.

NaviPlan calculates the *Total Projected Cost* value by indexing each annual cost individually by the rate entered in the *Index Costs by*

field from January 1 of the plan year to December 31 of the year prior to the year the expense occurs.

- Under *Savings Information*, enter the current total savings and current monthly savings for education, and the assumed rate of return.

All amounts saved are assumed to be deposited into a joint non-registered account earning the rate of return specified in the *Assumed Return Rate* field until the account is depleted. The amounts in the *Current Amount Saved* fields are assumed to be saved on January 1 of the plan year, whereas monthly savings begin in the current month. The monthly savings end on December 31 of the year prior to the last year of the goal.

**Note:** When you enter a value in the *Annual Education Costs (in today's \$)* field, a graph appears under *Savings Information*. It displays NaviPlan Standard's calculations for the percentage of each education goal that is expected to be covered assuming the client uses the strategy entered in the calculator. The graph updates as you enter different values or click outside an updated field.

To display more information about a suggested option, hover the mouse over the ? icon.

- Click the **What are my options?** button. The *What are my Options? - Education* dialog box opens. Under *Options*, alternative strategies are shown that would meet the education goal.



Figure 16: What are my options? - Education dialog box

- Click **Close** to return to the *Education* page.

## Using the Major Purchase module

In general, NaviPlan assesses all needs associated with each major purchase goal and compares those needs to the clients' resources available to fund major purchases. If a shortfall or overfunding is expected, NaviPlan presents recommendations for each major purchase goal in either event. You can enter up to three major purchase goals.

To use the *Major Purchase* module, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Major Purchase** page.

The screenshot shows the NaviPlan Financial Assessment software interface. The main window is titled "Financial Assessment" and contains a navigation menu with options like "Select Modules", "Assumptions", "Financial Picture", "Retirement", "Education", "Major Purchase", "Insurance", "Summary", and "Client Report". The "Major Purchase" section is active, displaying a table for "Major Purchase Objectives" and a "Savings Information" section.

	Goal One	Goal Two	Goal Three
Description	Lisa's wedding	Car	Major Purchase 3
Purchase Date	Jan 1 2013	Jan 1 2013	Jan 1 2013
Cost (in today's \$)	\$15,000	\$35,000	\$0
Index Costs by	3.00%	3.00%	3.00%
Total Projected Cost	\$17,389	\$40,575	\$0

	Goal One	Goal Two	Goal Three
Current Amount Saved	\$4,500	\$0	\$0
Current Monthly Savings	\$0	\$0	\$0
Assumed Return Rate	5.00%	5.00%	5.00%

Below the tables, there is a section titled "What are my options?..." with two progress bars. The first bar shows 29% completion, and the second bar shows 0% completion.

Figure 17: Financial Assessment section – Financial Assessment category – Major Purchase page

2. Under *Major Purchase Objectives*, enter all applicable information regarding the clients' planned purchase(s).

Major purchase goals cannot occur in the month of the plan date or in the following month. For example, if the plan date is April 12, 2008, the date entered must be June 1, 2008 or later.

NaviPlan calculates the *Total Projected Cost* value by indexing the value of each major purchase goal by the rate entered in the *Index Costs by* field from January 1 of the plan year to December 31 of the year prior to the year the expense occurs.

3. Under *Savings Information*, enter the current total savings and current monthly savings for the major purchase, and the assumed rate of return.

All amounts saved are assumed to be deposited into a joint non-registered account earning the rate of return specified in the *Assumed Return Rate* field until the account is depleted. The amounts in the *Current Amount Saved* fields are assumed to be saved on January 1 of the plan year, whereas monthly savings start at the beginning of the month following the plan date. The monthly savings end on the month prior to purchase date.

**Note:** When you enter a value in the *Cost (in today's \$)* field, a graph appears under *Savings Information*. It displays NaviPlan Standard's calculations for the percentage of each major purchase goal that is expected to be covered assuming the clients use the strategy entered in the calculator. The graph updates as you enter different values or click outside an updated field.

To display more information about a suggested option, hover the mouse over the ? icon.

4. Click the **What are my options?** button. The *What are my options? - Major Purchase* dialog box opens. Under *Options*, alternative strategies are shown that would help meet the major purchase goals.

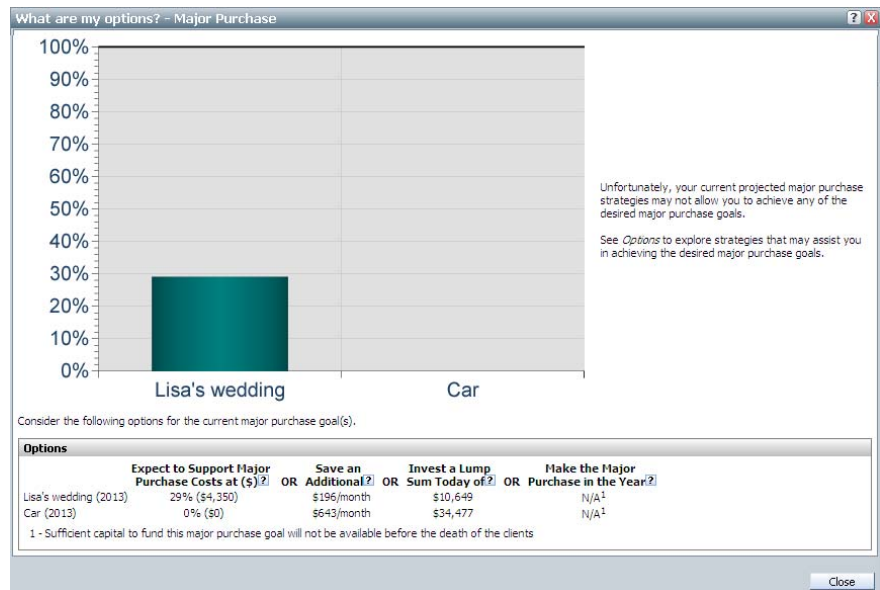


Figure 18: What are my options? - Major Purchase dialog box

5. Click **Close** to return to the *Major Purchase* page.

## Using the Insurance module

Life insurance needs are determined by simulating the client's or co-client's death on December 31 of the plan year. When death is simulated, NaviPlan assesses needs and compares them to existing resources and life insurance coverage. If available resources are not sufficient to meet needs, NaviPlan recommends additional coverage. NaviPlan assumes a capital depletion method for the life insurance analysis, which depletes available assets and existing life insurance policies as needed.

Disability income needs in NaviPlan Standard are determined by simulating the client or co-client being disabled on January 1 of the year after the plan year. The annual salary entered for the disabled client ceases during the disability period and is replaced by any disability insurance benefits specified. Cash flow throughout disability is projected and, if deficits result, a need for further disability income coverage is reported.

To use the *Insurance* module, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Insurance** page.

The screenshot shows the NaviPlan Financial Assessment software interface. The top navigation bar includes 'Client Management', 'Plan Management', and 'Financial Assessment'. The 'Financial Assessment' section is active, and the 'Insurance' tab is selected. The main content area displays the 'Life Insurance Information' and 'Disability Insurance Information' sections.

**Life Insurance Information**

- Include in Analysis
- Existing Coverage:
 

	Mark	Barb
Existing Coverage	\$50,000	\$50,000
Monthly Premium	\$35	\$35
- If Both Clients Die:
 

Total Lump Sum Expenses on Death	\$10,000
Annual Ongoing Expenses	\$5,000
Number of Years	5
- Buttons: What are my options?...

**Disability Insurance Information**

- Include in Analysis
- Short-Term Coverage:
 

	Mark	Barb
Monthly Benefits	\$2,000	\$2,000
Duration (months)	3	3
Monthly Premium	\$120	\$120
- Long-Term Coverage:
 

Monthly Benefits	\$0	\$0
Benefits End at Age	65	65
Monthly Premium	\$0	\$0
- Buttons: What are my options?...

Figure 19: Financial Assessment section – Financial Assessment category – Insurance page

2. To include life insurance in the analysis, under *Life Insurance Information*, select the **Include in Analysis** check box, and then enter the value of existing life insurance policies and premiums.  
 Life insurance policies in the Financial Assessment are assumed to be 10-year term policies that do not lapse, where the insured owns the policy and pays the premium, while the beneficiary is the non-insured client.
3. In the *Total Lump Sum Expenses on Death*, *Annual Ongoing Expenses*, and *Number of Years* fields, enter the estimated expenses that the beneficiaries will incur if both clients die.  
**Note:** The *Annual Ongoing Expenses* and *Number of Years* fields only appear when a dependant is entered into the plan.
4. Click **What are my options?** The *What are my options? - Life Insurance* dialog box opens. Under *Options*, alternative strategies are shown that would help meet the life insurance goal.

To display more information about a suggested option, hover the mouse over the ? icon.

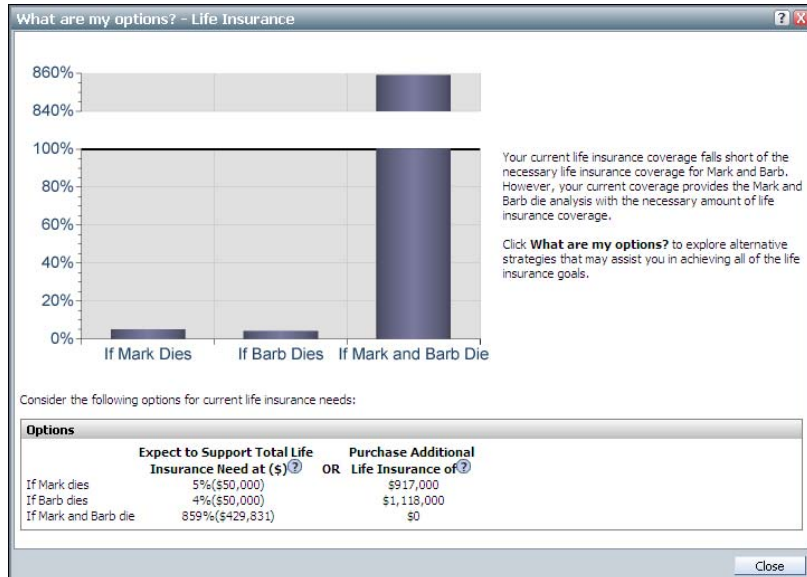


Figure 20: What are my options? - Life Insurance dialog box

5. Click **Close** to return to the *Insurance* page.
6. To include disability insurance in the analysis, under *Disability Insurance Information*, select the **Include in Analysis** check box. Enter the value of existing monthly short- and long-term disability insurance benefits and premiums. For short-term coverage, enter the duration of coverage for each policy. For long-term coverage, enter the age at which disability benefits end.

Disability policies in the Financial Assessment are assumed to provide non-taxable flat dollar amounts that are not indexed for inflation. The owner of the policy is assumed to pay for the premiums and be the recipient of disability benefits. The policies have the following payout terms:

Policy type	Waiting period	Benefits end
Short-term	2 weeks	in 3 months
Long-term	3 months	at age 65

To display more information about a suggested option, hover the mouse over the ? icon.

7. Click the **What are my options?** button. The *What are my options? - Disability Insurance* dialog box opens. Under *Options*, alternative strategies are shown that would help meet the long-term disability insurance goals.

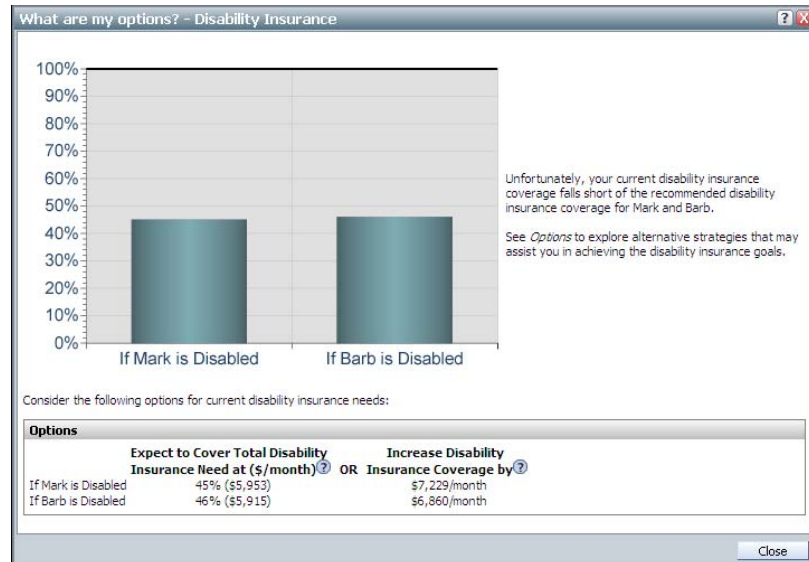


Figure 21: What are my options? - Disability Insurance dialog box

8. Click **Close** to return to the *Insurance* page.

## Generating results

To view the results of the Financial Assessment, follow these steps:

1. Go to the **Financial Assessment** section – **Financial Assessment** category – **Summary** page. An overview of the Financial Assessment is generated.

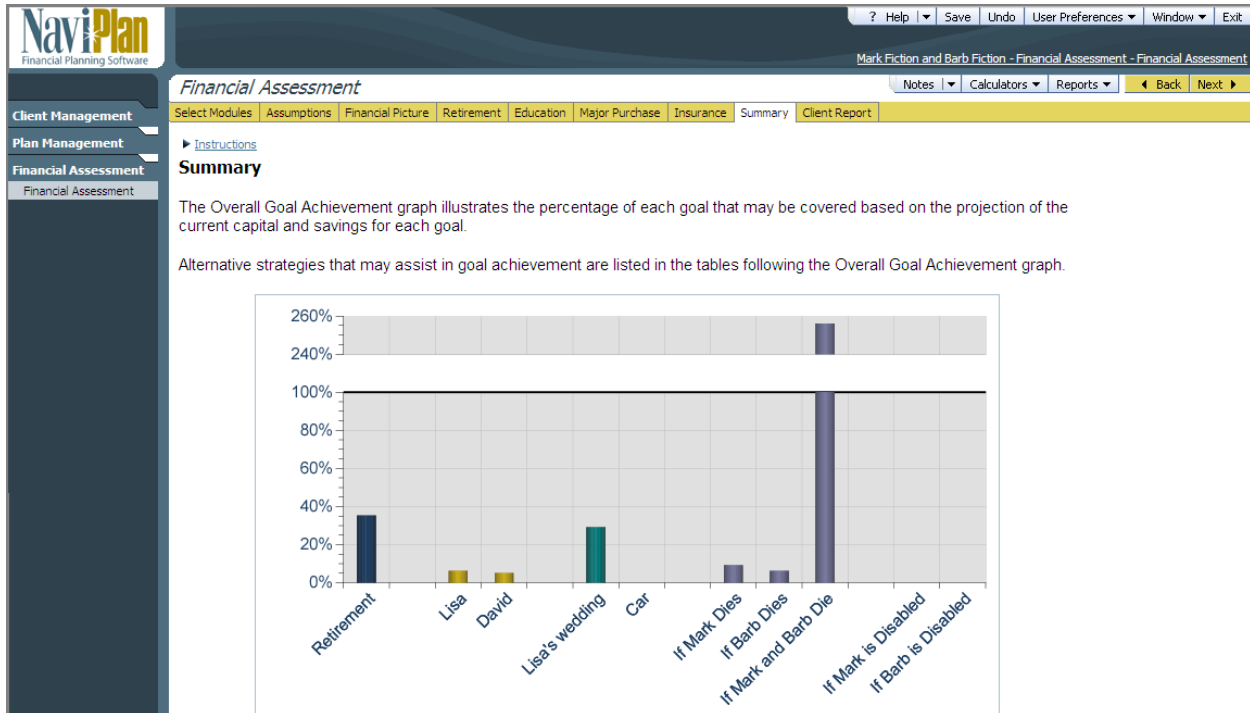


Figure 22: Financial Assessment section – Financial Assessment category – Summary page

2. Go to the **Client Report** page.

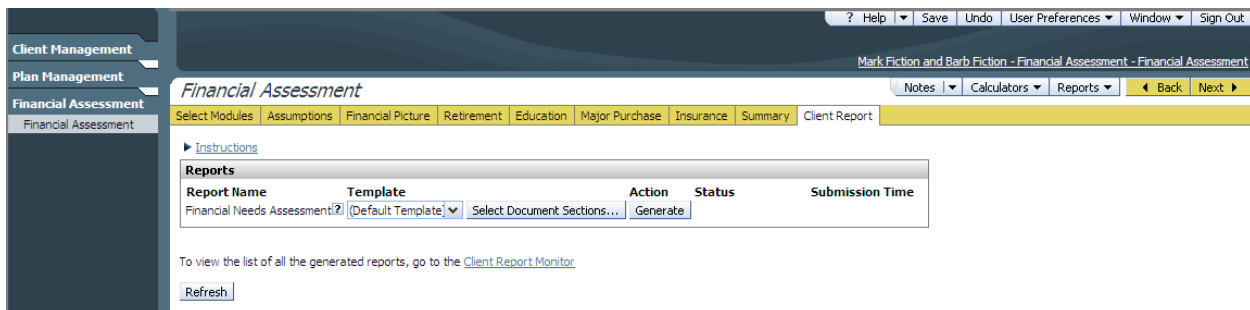


Figure 23: Financial Assessment section – Financial Assessment category – Client Report page

3. Click the **Select Document Sections** button for the desired report name. The *Select Document Sections* dialog box opens.

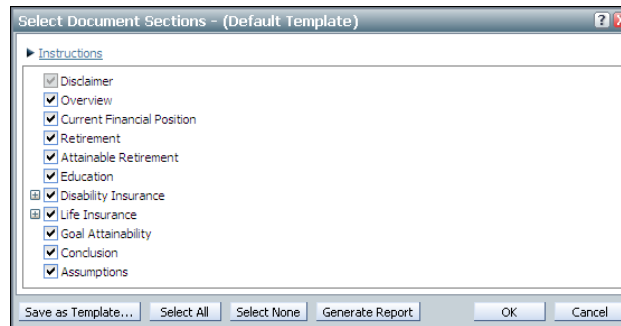


Figure 24: Select Document Sections dialog box

4. Select all sections you want included in the client report.
5. To view the subsections for a section, click the + beside that section. The list expands and subsections appear. Select or clear the check boxes for the appropriate subsections.
6. To reorder a section in the client report, click and drag the applicable section to an appropriate location.
7. To save your selections as a template for this type of client report, click the **Save as Template** button. The *Save Template* dialog box opens.  
Enter a name for the template, and then click **OK**. The *Save Template* dialog box closes.
8. Click **OK**. NaviPlan Standard saves your selections and the *Select Document Sections* dialog box closes.  
**Note:** You can delete templates on the *User Preferences* menu – *User Preferences - System Settings* dialog box – *Templates* tab.
9. To generate the report, click the **Generate** button. If you generated this report before, this button appears as *Regenerate*.  
If you are using NaviPlan Standard Online, the *Status* column updates. To view the report or view the status of other reports, see the next section for more information.

## Using the Client Report Monitor (Online)

The *Client Report Monitor* allows you to continue using NaviPlan when generating time-intensive client reports. Each time you click the *Generate* button for a client report, NaviPlan creates a request in the *Client Report Monitor* and generates the report. Generating client reports can take between a few seconds to a few minutes.

The *Client Report Monitor* allows you to monitor your recent request and the requests for other client reports. You can only open reports

with a *Completed* status. The *Client Report Monitor* is available from all the following areas:

- the *Reports* menu
- the *Financial Assessment* section – *Financial Assessment* category – *Client Report* page
- the *Workflow* section – *Status* category – *Status* page

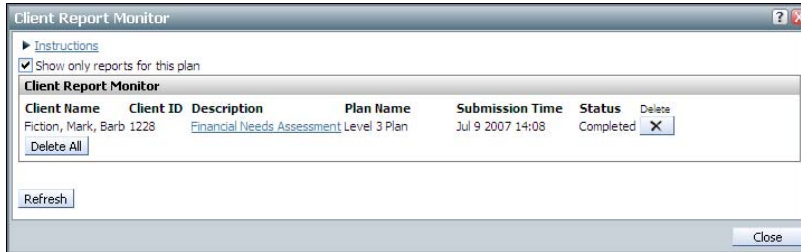


Figure 25: Client Report Monitor dialog box

To use the *Client Report Monitor*, follow these steps:

1. Generate a client report, or from the *Reports* menu, select **Client Report Monitor**. The *Client Report Monitor* dialog box opens.
2. Do one of the following:

To...	Do this...
List all client reports for which you have access	Clear the <b>Show only reports for this plan</b> check box. The dialog box updates and expands the list of client reports.
View a complete report	Click the link for a client report with the <i>Completed</i> status. The client report opens using the format specified on the <i>User Preferences</i> menu – <i>User Preferences - System Settings</i> dialog box – <i>Report Format</i> tab.
Delete a report	Click the <b>Delete</b> button for the applicable report or click the <b>Delete All</b> button to delete listed client reports, and then click <b>OK</b> to the message that appears.
Refresh the report statuses	Click the <b>Refresh</b> button. <b>Note:</b> The <i>Client Report Monitor</i> dialog box does not reload itself automatically. You need to click <i>Refresh</i> to refresh the contents of the dialog box.

3. Click **Close**. The *Client Report Monitor* dialog box closes. Any reports that have not yet generated will continue to process while

you work in other areas of NaviPlan. If needed, you can generate additional reports while other reports are being processed. NaviPlan generates each report independently.

# Glossary

<b>Accounts</b>	Groups of one or more holdings where each holding is consistent with the plan type of the account (e.g., only RRSP holdings can be entered within an account that is an RRSP plan type).
<b>Asset Allocation Assessment</b>	A level of data entry that allows you to establish your clients' risk tolerance, enter accounts and asset class weightings, and if necessary override the risk tolerance.
<b>Canada Pension Plan (CPP)</b>	Government benefit paid based on contributions made to CPP. Normal retirement benefits are calculated as of age 65. Clients can choose to have CPP benefits paid as early as age 60 or as late as age 70. Clients opting to receive benefits earlier or later than 65 will receive reduced or increased benefits of up to 30%.
<b>Client</b>	For an <i>Individual</i> client file, the client is the person for whom a plan, Asset Allocation Assessment, Financial Assessment, or calculator is created. For a <i>Joint Analysis</i> client file, the client is the first person entered when creating the client file.
<b>Client file</b>	File within which plans, Asset Allocation Assessments, Financial Assessments, and calculators can be created and saved. A client file is needed in order to create a plan and can be either an <i>Individual</i> or <i>Joint Analysis</i> client file.
<b>Client report</b>	A client-facing document which provides a textual, tabular, and graphical analysis of the clients' financial situation and presents problems and opportunities for the clients to consider.
<b>Co-client</b>	For a <i>Joint Analysis</i> client file, the co-client is the second person entered when creating the client file.
<b>Engagement</b>	A unit of work that a financial planner undertakes to produce a financial plan, Asset Allocation Assessment, or Financial Assessment for a client during a specific time period. Generally, the client engagement results in a completed financial plan or assessment delivered to and accepted by a client.
<b>Financial Assessment</b>	A tool to quickly examine a client's ability to meet stated goals. The Financial Assessment level is the simplest and most streamlined level of data entry and serves as a catalyst for discussion regarding potential financial planning needs.
<b>Holding</b>	An investment held within an account. An account can have multiple holdings and each holding must be consistent with the plan type of the account (e.g., all RRSP holdings must be entered within an account that is an RRSP plan type).

<b>Inflation rate</b>	The default inflation rate for incomes, expenses, and savings strategies is set in the plan assumptions. This rate can be modified for any cash flow item and it determines the rate by which the item will index each year.
<b>Interest</b>	Annual interest income for accounts and holdings as determined by the interest return rate assigned to the account or holding. Unless the investment is qualified, all interest earned is fully taxable each year whether paid or reinvested. Interest income is taxed at the marginal tax rate.
<b>Level 1 Plan</b>	A plan type that has the fewest modules and the most streamlined data entry of all plan types. It is suitable for clients with extremely straightforward financial situations and is ideal for goal-based planning.
<b>Level 2 Plan</b>	A plan type that can encompass all available planning modules. It is suitable for clients with complex financial situations.
<b>Lifestyle asset</b>	Assets that are purchased for the owner's personal use and enjoyment, and not for the purpose of producing income. Examples are a house, cottage, car, or boat. Capital gains on lifestyle assets other than <i>Residence</i> type are taxed when the property is sold.
<b>Lifestyle expense</b>	Lifestyle expenses are generally expenses (e.g., food, clothing, and vacations) incurred as part of an individual's normal lifestyle . These expenses are not tax deductible.
<b>Locked-in retirement account (LIRA)</b>	A LIRA is similar to an RRSP in that it can build tax free until taken into income. LIRAs are funded with locked-in pension money from employer-sponsored pensions. Depending on the governing provincial jurisdictions, the funds must be converted to a life annuity, a life income fund (LIF), or a locked-in retirement income fund (LRIF), no later than the end of the year in which they reach age 71.
<b>Locked-in retirement income fund (LRIF)</b>	An LRIF is similar to the LIF except that the LRIF does not have to be converted to a life annuity at age 80. Money in the LRIF is funded with locked-in pension money and, with some specific exceptions, it cannot be withdrawn. It is governed by the respective provincial jurisdictions.
<b>Non-registered Owner</b>	Accounts that are not tax advantaged. Person who has ownership rights and privileges of the contract.
<b>Pension adjustment (PA)</b>	The total employee pension credits under employer pension plans. This includes any contributions to an RPP (defined benefit and money purchase), DPSP (deferred profit sharing plan), past service pension adjustments, and certain unregistered retirement plans. The PA for

	the year reduces the RRSP contribution limit for the year (always based on the previous taxation year values).
<b>Plan type - Current</b>	A report setting which, when selected, reports only on the user-defined information and assumptions entered into the plan. The <i>Plan type - Current</i> is available in several stand-alone reports and in client reports.
<b>Plan type - Recommended</b>	A report setting which, when selected, reports on a system-generated plan that uses the additional or alternative assumptions contained within the recommended scenarios to achieve the clients' stated goals. The <i>Plan type - Recommended</i> is available in several stand-alone reports and in client reports.
<b>Registered assets</b>	Assets which adhere to specific rules and are assigned special tax privileges set by the Canada Revenue Agency (CRA). The registered assets supported in NaviPlan are each defined separately.
<b>Registered education savings plan (RESP)</b>	A savings plan in which money grows tax-free until it is withdrawn for a post-secondary education. Any person can set up the plan and make contributions on behalf of one or more beneficiaries (a child) named in the plan.
<b>Registered pension plan (RPP money purchase)</b>	A contributory plan with the employee contribution based on a percentage of earnings and the employer paying the balance to meet the required pension benefit formula within the plan. Legislation limits the contributions that can be made into the plan or assessment each year. These contributions to a pension plan are included in the calculation of the pension adjustment and are used to reduce the RRSP contribution room each year.
<b>Registered retirement income fund (RRIF)</b>	A registered income vehicle that provides an alternative to cashing out or purchasing an annuity with RRSP funds at maturity. Payments must not be less than the minimum amount set by the Canada Revenue Agency (CRA). There is no minimum amount required in the year the RRIF is established.
<b>Registered retirement savings plan (RRSP)</b>	<p>A plan registered with the Canada Revenue Agency (CRA) that allows an individual to make contributions to the plan within RRSP contribution limits, and that is set up for the purpose of providing retirement income. For tax purposes, contributions are deductible and the income earned inside the RRSP is tax deferred until withdrawn from the plan. All RRSPs must be converted to either a RRIF or a life annuity by the end of the year in which the client reaches age 71.</p> <p><b>Note:</b> Where the plan or assessment has not provided for the conversion of an RRSP to an income vehicle to begin at some future date, NaviPlan Standard will convert all RRSPs to a RRIF when the client reaches age 71.</p>

**Retirement**

A time period starting from January 1 of the year the first client retires until the last client dies.

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