

## How-to guide

This retirement income projection tool provides a practical look at your plans for the future.

### Fill in the required data in each section:

- ▶ **Personal information**
- ▶ **Retirement goals:** input the actual amount of retirement income or use the replacement ratio formula based on your current salary
- ▶ **Personal sources of income:** enter your personal savings or other income you might have at retirement (ex.: rental income)



If you're a member of a Manuvie group program, your group assets will be prefilled.

Then you'll arrive at the estimated retirement income projection graph.

### Here's how to read it:

- ▶ The graph shows you your projection (1)
- ▶ View the gap (2)
- ▶ Read our suggestions to help you address the gap (3)

Use the **What if?** tab to see what would happen if you retired earlier or later, if you contributed more or less, or if markets performed well or poorly.

The **Assumptions** tab is a summary of your projection and shows you all the underlying assumptions used to do your projection. Some of these can be changed.

Choose between the **Step-by-step** approach and the **Global view** at any time.

Click on **Report** to obtain the results in PDF format.

The screenshot shows the Retirement Calculator interface with the following sections:

- 1. Personal information:** Date of birth (Jan. 01, 1970), Province of employment (QUEBEC), Current salary (\$90,000), Investor Profile (Moderate), Unused RRSPP contributions (\$20,000), Unused TFSA contributions (\$5,000), Pension adjustment (PA) (\$0), Marginal tax rate (40%), Life expectancy (80).
- 2. Retirement goals:** Your goal: \$35,000.00
- 3. Personal sources of income:** Your projection: \$11,387.63
- Income sources legend:**
  - Gap: \$23,612.37
  - Other income: \$0.00
  - Personal savings: \$177.63
  - Government\*: \$11,210.00
- Our suggestions:** To reach your retirement income goal, you should increase: (3)

For a more comprehensive projection, switch from **Basic** to **Advanced**.

Click on the toggle button **More** or **Less** to maximize or minimize the shaded area.

The **orange line** represents the retirement income goal that you've defined.

Click on each title bar to expand each section.

Read **Our suggestions** to get back on track. All contribution suggestions are in **annual amounts**.

The **legend** shows you where your retirement income will come from.

The **blue line** represents how your current assets, contributions and government benefits will translate into income at retirement.

The difference between the two lines is your **income gap** or your **excess income**. If you have a gap, read the suggestions provided to help you get back on track.

## Click on the What if? tab

You can change four key factors: rate of return, retirement age, life expectancy and contributions.

**What if?**  
See the impact key assumption changes have on your retirement income projection by adjusting the sliders below. Each bar chart reflects a different rate of return (before and during retirement), with all other variables remaining the same, allowing you to better visualize the impact fluctuating

Your income goal: \$54,600.00

Scenario	Net rate of return	Projected Income
Your assumption	r.r.:25.2%	\$19,637.38
Default assumption	r.r.:25.6%	\$19,963.07
Better performing markets	r.r.:27.7%	\$21,617.80
Lesser performing markets	r.r.:24.2%	\$18,844.98

Net rate of return  
Before retirement: 5.0% (slider) | 6.0% | 10.0% | 2.0%  
During retirement: 5.0% (slider) | 6.0% | 10.0% | 2.0%

Retirement age: 65 (slider)  
Life expectancy: 90 (slider)  
Contributions: \$5000.00 (slider)

Contribution allocation:  
Registered \$: 5,000.00  
TFSA \$: 0.00  
Non-registered \$: 0.00

**Reset**

Click on **Reset** to come back to your original projection.

## Click on the Assumptions tab

Review the assumptions, leave the prefilled data as is or modify some to simulate different situations.

**Assumptions**  
This projection is presented to you for illustration purposes only and is based on the asset information you provided and the assumptions below. The actual results may vary downward or upward from those illustrated.

**Your assumptions**

Date of birth: Jan. 01, 1970  
Investor Profile: Moderate  
Current salary: \$50,000  
Unused RRSP contributions: \$20,000  
Unused TFSA contributions: \$5,000  
Marginal tax rate: 40%  
Pension adjustment (PA): \$0  
Life expectancy: 90  
Rate of salary increase: 3.0%  
Inflation rate: 3.0%

**Government benefits:**  
OAS Timing of payments: Retirement  
OAS Admissibility: 100%  
CPP/QPP Timing of payments: Retirement  
Calculation basis: Salary  
Percentage of maximum pension: 100%

**The numbers behind your projection**  
The projected retirement income of \$11,387.63, at age 65, is derived as per the table below. All values represent gross annual amounts and, with the exception of accumulated assets, all amounts are in today's dollars.

Source	Accumulated assets (\$) at age 65	Annual income (\$) at age 65
Personal Req (e.g. RRSP)	2,358.06	96.89
Non-registered TFSA	1,178.03	80.74
	<b>3,537.09</b>	<b>177.63</b>
Government CPP/QPP OAS		11,210.00
		0.00
		<b>11,210.00</b>
Other OS pension Other Income		0.00
		0.00
		<b>0.00</b>
	<b>3,537.09</b>	<b>11,387.63</b>

**Additional information**

Click on the bullets to view **Additional information**.

## What's next?

It's a good idea to review your plan every six months or at least once a year to make sure you're on the right track.

For additional guidance, visit [www.planforlife.ca](http://www.planforlife.ca), call Manulife or speak to your financial advisor.

manulife.ca

