



ASSANTE
WEALTH MANAGEMENT

| The McClelland
Financial Group

10 Critical Mistakes People Make When Planning for Retirement.



challenge

After years of hard work, will I have enough money to live comfortably?

Will I outlive my money?

Will I be able to maintain my lifestyle?

What can I do to prepare for unexpected expenses?

How do I position myself for a confident retirement?

In this guide, we highlight ten critical mistakes people make when planning for retirement and how you can avoid them.

At TMFG, we believe you shouldn't have to face retirement with worry and confusion instead you should feel excited about life during retirement.

To your success,
TMFG Advisors

contents

01 Not knowing your desired retirement lifestyle	4
02 Taking government benefits (CPP & OAS) too early or too late	7
03 Not knowing the Tax Implications of withdrawing your retirement Income?	9
04 Not setting up your registered accounts in the right way	11
05 Not having a grasp of your legacy	13
06 Not having a Retirement Budget	15
07 Having too much wealth in cash	17
08 Having a portfolio not built to last.....	19
09 DIY investing	21
10 Not having a plan or creating it too late	23



01

Not knowing your
desired lifestyle.

Ensure you have enough income to continue to live your retired life the way you imagined. Not knowing/planning your retirement income.

- *What is the ideal retirement for you?*
- *What do you want to achieve in retirement?*
- *What kind of life do you want to live?*

Understanding what you want first and then developing a plan for your retirement income to achieve that goal.

53%

More than half (53 percent) of Canadians don't know how much they will need to retire.

-BMO Annual Retirement Survey 2022



02

Taking government benefits (CPP & OAS) too early or too late.

Government pensions provide flexibility to Canadians in different retirement situations.

It also incentivizes pensions that are taken after the age of 65.

Are you willing and able to work past 65?

If so, you can get a boost to your government pensions if you elect to take them after 65.

If you retire before 65, can you supplement the decrease in CPP & OAS?

95%

According to the National Institute on Aging, 95 percent of Canadians take CPP at the age of 65 or earlier, with only one percent deferring until the maximum age of 70.

-National Institute of Aging



03

Not knowing the Tax
Implications of withdrawing
your retirement income.

Ensure you have enough income to continue to live your retired life the way you imagined. Not knowing/planning your retirement income.

- What is the ideal retirement for you?
- What do you want to achieve in retirement?
- What kind of life do you want to live?

Understanding what you want first and then developing a plan for your retirement income to achieve that goal.

74%

74% of respondents said they worry about having enough income in retirement. Yet the majority of respondents didn't know how retirement income is taxed

-CIBC Study



04

Not setting up your registered accounts in the right way.

Registered assets provide many tax benefits to Canadians, one benefit being taxation upon your estate.

Have you taken full advantage of these benefits and used them in collaboration with your will to minimize your estate tax implications and probate fees?

34%

One-third (34%) of Canadians initiated a conversation about end-of-life plans in 2020, including making or updating their will, deciding on end-of-life wishes and estate planning.

-NewsWire



05

Not having a grasp of your legacy. What do you want this to look like?

- *Do you want to leave your mark on future generations?*
- *Will you do that through charitable donations?*
- *Gifts to family members and friends?*

Utilizing different tools like a Will, beneficiaries and life insurance policies can help make your legacy even more impactful for the people or organizations you choose.

56%

The majority of Canadian adults (56%) do not have a signed will.

-Law Pro Study



06

Not having a retirement budget.

Unlike working, you will have a fixed income in retirement. Therefore, it will be even more important to review your budget.

If physically healthy, your retirement could last for decades, and spending in the first decade of retirement will be very different than spending in the last decade.

Are you prepared to budget for the retirement you want?

48%

48% of retirees don't have a monthly budget for their retirement spending.

-Money Rates



07

Having too much
wealth in cash.

It is good to have an emergency fund for any unforeseen expenses. However, too much of an emergency fund can mean falling behind.

Do you know how much you should keep in your bank account?

62%

Among Canadians investing, 62 percent have cash in their TFSAs, representing over 40 percent of their account holdings. Similarly, RRSPs have 22 percent of assets in cash.

—National Institute of Aging



08

Having a portfolio not
built to last.

When someone enters retirement, a common belief is that their portfolio should become conservative. However, it is important to develop a portfolio that invests responsibly to ensure that your portfolio can keep up with the increasingly rising cost of living.

Are you confident your portfolio can keep up with rising prices?

67%

As Canada's inflation rate soared to an 18-year high, increased living costs are a source of financial stress for two out of three (67%) Canadians — more than double that of any other financial stressor.

-Newswire



09

DIY investing.

Thanks to technology,
every investor can invest on
their own, but should you?
Investing on your own can
be difficult, time-consuming
and lead to bad results.

*Can you afford to invest on
your own without the help of
a professional?*

79%

Advice Based
Confidence: 79 percent
of Canadians rely on
a financial advisor, a
nine percent increase
from 2020. Those with
a financial advisor
are more likely to feel
confident they will have
the money they need to
retire (53 percent).

-BMO Annual Retirement Study 2022



10

Not having a plan or
creating it too late.

A goal without a plan is just a wish. Put yourself in a better position by creating a plan to follow.

If you're not confident that you can retire without a plan, then speak with a financial planner now.

80%

80% of Canadians who had sought advice from a financial professional expressed confidence, compared with 57% of Canadians who hadn't.

-Advisors Edge

You Don't Have to Face Retirement with Worry & Confusion.

You deserve a custom-built plan by a trusted Financial Advisor to unite all of your assets and wealth into a solid strategy for steady retirement income.

Working with our financial advisors, you'll know that you're on track.



Help you build a plan

Build a strategic plan for an exciting future that gets you to and through retirement with confidence.



Stand by you

We take the journey with you as a long-term, trusted partner who has your best interest in mind.



Guide you

Stay informed through regular meetings, events, weekly podcasts and videos and monthly newsletters.

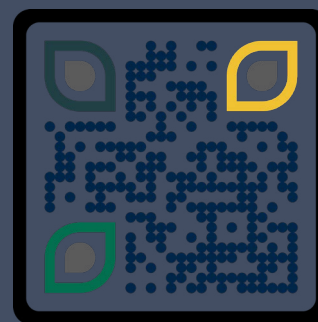


Financial planning by
Canada's top awarded
financial advisors.

905-771-5200

tmfg@assante.com

TMFG.ca



SCAN ME

CI **ASSANTE** | The McClelland
WEALTH MANAGEMENT Financial Group