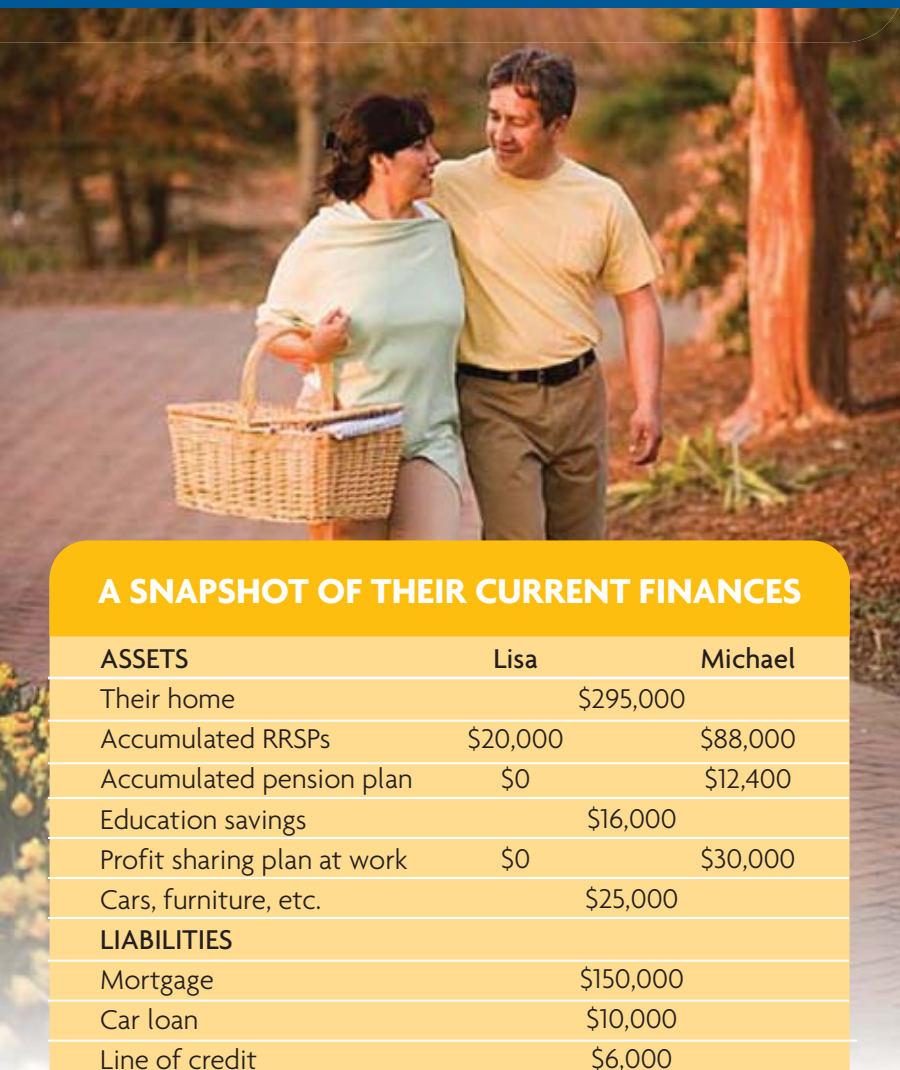


Lisa and Michael

Lisa, 40, and Michael, 43, are a happily married couple with a lot on the go! Typical of many people at their stage of life – two kids, a home with a big mortgage and both working challenging jobs – they're at a point where the need to start thinking seriously about retirement planning is becoming a more frequent topic of discussion.



Their financial situation

Both have good jobs with future promise. Lisa works as a customer service rep and earns \$35,000 a year. Michael leads a development team at a software company and makes \$82,000.

They've been doing a good job with their money and, with a bit of creative juggling, have been balancing all of their financial responsibilities:

- Paying day-to-day bills
- Saving for the kids' education
- Paying down the mortgage
- Putting a combined \$14,200 into their RRSPs each year
- Paying off their credit cards & line of credit

Their financial uncertainty

When Lisa's parents retired a few years ago, Lisa and Michael started thinking about their own long-term plans and, like most people, started asking themselves a number of questions:

- Will they be able to retire when they'd like to?
- Will they be able to afford their idea of a comfortable retirement?
- How well are they doing so far?

They weren't sure. They recognized they could use help figuring things out. Fortunately, Michael's older brother suggested they meet with his financial advisor.

A SNAPSHOT OF THEIR CURRENT FINANCES

ASSETS	Lisa	Michael
Their home		\$295,000
Accumulated RRSPs	\$20,000	\$88,000
Accumulated pension plan	\$0	\$12,400
Education savings		\$16,000
Profit sharing plan at work	\$0	\$30,000
Cars, furniture, etc.		\$25,000
LIABILITIES		
Mortgage		\$150,000
Car loan		\$10,000
Line of credit		\$6,000
Credit cards	\$1,000	\$1,000

Lisa & Michael's net worth: \$348,000

Meeting the advisor



“I think you folks can make this work”

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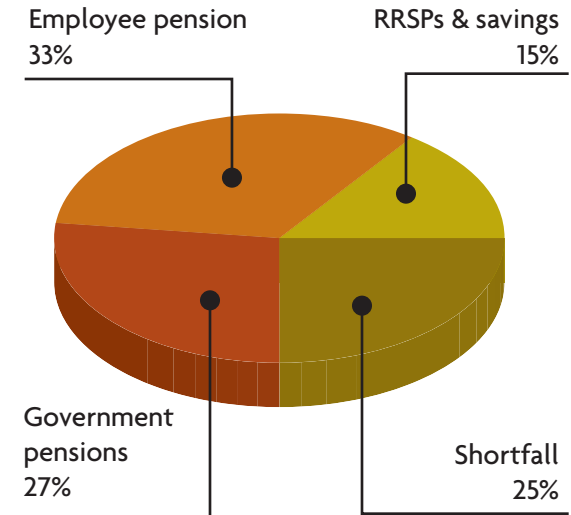
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The advisor had questions and answers...

When they met with the advisor, Suzie, she asked lots of questions to learn what was important to them and see where they were today. Then she crunched the numbers to figure out if they were on track... and she came back with the news.

Without changing their current approach to their retirement savings, Lisa and Michael could find themselves with a 25% shortfall when it came time to retire.

**They were disappointed and discouraged.
The gap seemed so big.**



... and helpful advice...

“I think you folks can make this work,” Suzie told them. Then, the three of them discussed a number of financial options and arrived at some possible solutions:

- Consider having Michael work part-time for 3 years just before fully retiring. Even part-time work can make a big difference.
- Strategically spend less on some things to put more money away for retirement.
- Consider downsizing their home when they become empty-nesters.
- Consider the impact of an inheritance (perhaps \$50,000) Michael could expect.
- Think about whether they'd be comfortable being a bit more aggressive with their investments. Over time, that could increase their retirement savings significantly.
- Consider that raises or even promotions would help close the retirement shortfall.

... and gave them a new outlook

They thanked Suzie for her help and advice. After talking it over, they decided to keep working with her – she'd been a big help already. **Although they had a potential shortfall to fix... they actually felt a bit relieved! At least, they knew what they had to do.**