



**Asset
Allocation
Analyst**

Investment Policy Statement

Report prepared for
Mr John Doe and Ms Jane Doe

Mary Broker
Investments Inc.
IA

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Investment Policy Statement

Prepared for Mr John Doe and Ms Jane Doe

INTRODUCTION AND PURPOSE

This Investment Policy Statement, or IPS, is meant to be your roadmap to the attainment of your long-term financial objectives. It documents your specific financial goals and needs, and matches them to your preferences, constraints and requirements, resulting in a portfolio allocation that is appropriate to your individual circumstances.

Note: An IPS is only one component of an overall comprehensive financial plan.

CLIENT INFORMATION SUMMARY

	Client	Spouse
Name	John Doe	Jane Doe
Address	123 Road Toronto ON	
Age	54	49

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CURRENT INVESTMENT PORTFOLIO

This section addresses your current financial situation. It contains your net worth, taxable/non taxable breakdown, and any special situations.

CURRENT NET WORTH

	John Doe		Jane Doe	
	Registered (tax deferred)	Non-Registered (taxable)	Registered (tax deferred)	Non-Registered (taxable)
Investable assets * Investable assets contain all assets in investment markets.	\$40,000.00	\$0.00	\$27,500.00	\$0.00
Non-investable assets Non-investable assets contain non-financial assets such as real estate, collectables, business interests and life insurance surrender value.	\$0.00	\$120,000.00	\$0.00	\$40,000.00
Total liabilities Total liabilities contain all that you owe, today and over your planning horizon, such as loans of any kind and credit card balances.	\$0.00	\$40,000.00	\$0.00	\$0.00
NET WORTH	\$187,500.00			

* These figures may also include assets outside the control and responsibility of Mary Broker. From this point forward, when referring to investable assets, only those managed by Mary Broker will be relevant.

ANTICIPATED ADDITIONS TO NET WORTH

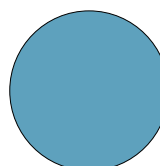
	John Doe		Jane Doe	
	Registered (tax deferred)	Non-Registered (taxable)	Registered (tax deferred)	Non-Registered (taxable)
Future assets Future assets contain assets to be acquired later, within your time horizon, such as inheritances or pension plan payouts.	\$0.00	\$0.00	\$0.00	\$0.00
Present value of ANTICIPATED ADDITIONS TO NET WORTH	\$0.00			

INVESTABLE ASSETS

Total wealth is always taken into account when developing a suitable investment strategy, however, as your investment account representative, I will focus only on investments that I am licensed to advise you on.

Your current investable assets are held in high return/high risk investments.

Your investable assets (with this firm) are composed of \$0.00 in taxable assets, and \$67,500.00 in tax-deferred assets.



Registered	100.0%
Non-registered	0.0%

ANNUAL INCOME AND INVESTMENTS

Your current annual income is \$140,000.00 (\$100,000.00 for John Doe, \$40,000.00 for Jane Doe)

Your current annual investments total \$13,200.00 (\$8,400.00 for John Doe, \$4,800.00 for Jane Doe)

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INVESTMENT OBJECTIVES AND PRIORITIES

This section documents your investment objectives and priorities as well as your investment knowledge

INVESTMENT OBJECTIVES

Your financial objectives and their time horizon are:

FINANCIAL OBJECTIVE	Percentage of overall portfolio	Date at which needed completed
1. Retirement	60%	2015
2. University	20%	2007
3. Cottage	20%	2010
TOTAL	100%	

INVESTOR KNOWLEDGE

John Doe

You have 10 years of experience in investing.

You consider your level of investor knowledge to be Limited

Jane Doe

You have 2 years of experience in investing.

You consider your level of investor knowledge to be Poor

Investment Policy Statement

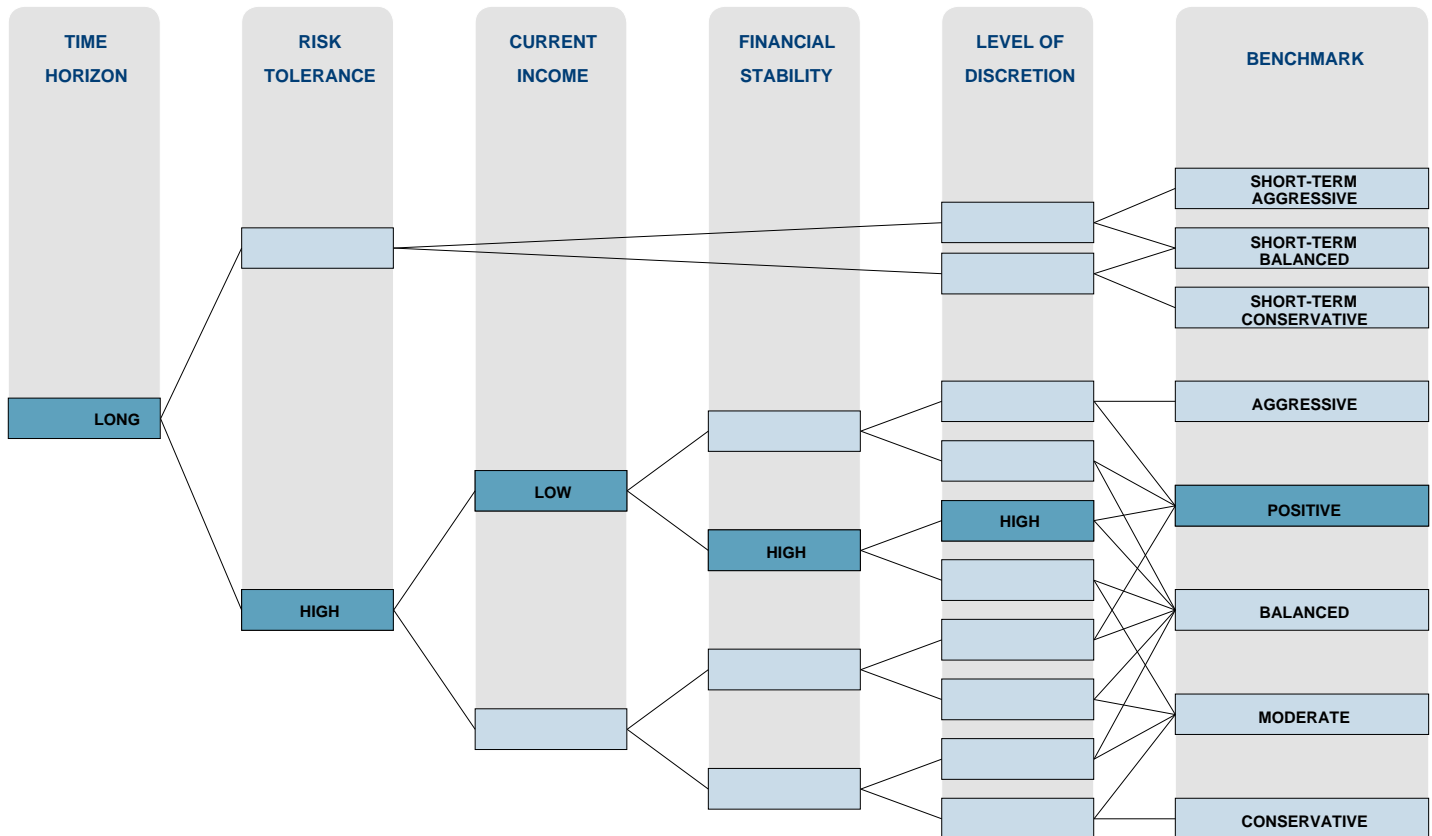
Prepared for Mr John Doe and Ms Jane Doe

ACCOUNT - Jane RRSP account

Financial objective: Retirement

INVESTOR PROFILE

This figure displays your investor profile in graphic format.



Your investor profile: Positive

This is a 65%/35% mix of stocks and fixed income investments, with similar weightings between Canadian and global assets. High yield international equities are the largest single portfolio component. While there is no cash, the 35% position in bonds will provide portfolio stability and steady income.

Investment Policy Statement

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ACCOUNT - Jane RRSP account (continued)

Here is each element of your profile explained in greater detail.

TIME HORIZON

I may need the total amount invested and the investment revenue from this account within the next five years.

YOU ANSWERED NO

Your time horizon is long: Your financial needs call for higher portfolio volatility as well as a higher level of long-term average returns. You have the ability to withstand relatively long periods of negative returns, as these will be more than compensated by periods of positive returns. Your financial goal is to maximize the long-term dollar value of your account, given the other elements of your financial profile.

RISK TOLERANCE

If the return from this portfolio was negative over a year, thus generating paper financial losses in the short run, I would continue to uphold my initial investment strategy.

YOU ANSWERED YES

Your downside risk tolerance level is high: You are likely to adequately withstand the emotional strain that may result from negative returns. Your understanding of investing includes the idea that higher returns are generated only by accepting to bear more volatility.

CURRENT INCOME

I will cover my current expenses without using this Portfolio.

YOU ANSWERED NO

Your ability to forgo current income is low: The investments under consideration here participate in supplementing sources of income such as your salary, working income, or other regular sources of income. Although these investments may have as primary goal to produce capital gains and/or other forms of return which are not, or will not be, part of the requirements to maintain your lifestyle, they are also meant to produce returns on an ongoing basis, and by choosing this option, you are likely to forgo higher accumulation of capital in the long run.

FINANCIAL STABILITY

My personal and financial situation allows me to incur the risk of short-term losses without compromising my financial stability.

YOU ANSWERED YES

Your financial stability level is high. Your net worth is significant in relation to your financial lifecycle. As well, you may have achieved significant stability in your career, family life, and general lifestyle. This means that you have reached a level at which, all things equal, you can tolerate a higher level of volatility in your investments in order to generate higher returns. Moreover, you may be relatively close to retirement, but you will still have to generate sufficient returns for your retirement period, which may last as long as 30 or 35 years (according to actuarial tables).

LEVEL OF DISCRETION

In relative terms, the value of this portfolio represents less than 25% of my net assets.

YOU ANSWERED YES

The discretionary level of this account is high: As this account represents less than 25% of your net worth, it represents a comparatively smaller portion of your net assets. Given this, all things equal, you may want to assume a greater level of volatility in this account, in exchange of which you are likely to attain a higher average return level. This stance assumes that you are not counting on this account as a source of emergency funds or as a source of income in the near future.

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ACCOUNT - Jane RRSP account (continued)

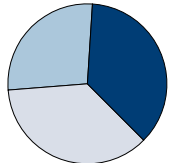
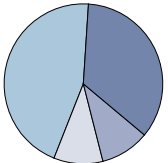
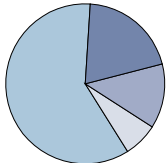
INVESTMENT STRATEGY

Given the information you have provided, your personal investment strategy is designed to take into account your objectives, requirements and restrictions.

The suggested benchmark portfolio* represents your strategic asset allocation template, one constructed to fulfil your risk-return objectives over the long-term. To complement this asset allocation, minimum and maximum values for each of the asset classes are displayed next to the benchmark values. Applying tactical asset allocation within these suggested ranges will allow us to take advantage of short-term opportunities in a particular asset class or security (by increasing the allocation in an asset class, thus **overweighting** this asset class), or to protect the portfolio from short-term downdrafts (by decreasing the allocation in an asset class, thus **underweighting** this asset class). To address your specific situation, I have fine-tuned the asset allocation of the Suggested benchmark, resulting in the Custom Asset mix, seen in the far right column.

Here is a comparison of the asset allocation in your current portfolio and the Suggested and Custom portfolios:

ASSET CLASS**	Current Asset mix	Suggested Minimum	Suggested Benchmark Positive	Suggested Maximum	Custom Asset mix
Canadian Equities	27.3 %	30.0 %	45.0 %	60.0 %	60.0 %
U.S. Equities	36.4 %	0.0 %	10.0 %	20.0 %	7.0 %
International Equities	0.0 %	0.0 %	10.0 %	20.0 %	13.0 %
Canadian Bonds	0.0 %	20.0 %	35.0 %	50.0 %	20.0 %
International Bonds	0.0 %	0.0 %	0.0 %	15.0 %	0.0 %
Cash	36.4 %	0.0 %	0.0 %	30.0 %	0.0 %

* A suggested benchmark portfolio is a model portfolio against which the risk and returns of the actual portfolio are measured. It is constructed by assuming fixed proportions are invested in the major asset classes, with the investment performance of each asset class taken from an appropriate index. The benchmark portfolios vary depending on the risk profile and investment objectives.

** It should be understood that we are not advising investment in the pure asset class vehicles themselves, but rather in securities such as Mutual Funds, GIC's and annuities, which are composed of these elements in various combinations. These securities will then be balanced to match your optimal asset class content recommendation.

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ACCOUNT - Jane RRSP account (continued)

REBALANCING

A portfolio's investments do not evolve at the same pace. Equities may outpace bonds, while at other times the reverse may be true. International equities may surpass foreign bonds, and so on. This means that in time, a portfolio's initial asset allocation will become skewed towards the asset classes that have progressed more than others. Portfolio rebalancing (bringing back the asset allocation to its benchmark, or customized benchmark, composition) is important, and should be discussed periodically, as the benchmark reflects the investor's return and risk needs.

CONSTRAINTS

Doesn't buy product XYZ

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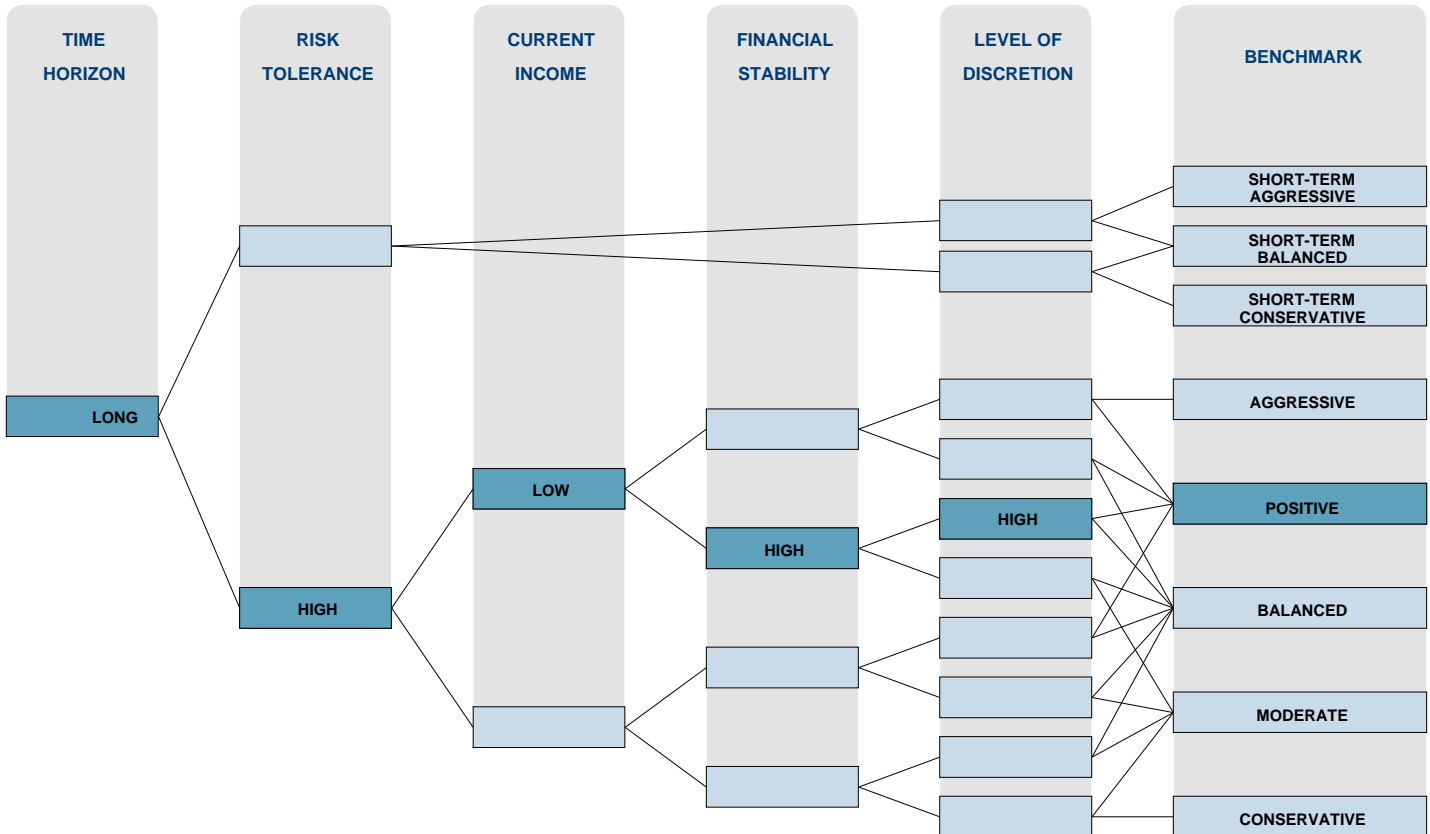
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ACCOUNT - John RRSP account

Financial objective: Retirement

INVESTOR PROFILE

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ACCOUNT - John RRSP account (continued)

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TIME HORIZON

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YOU ANSWERED NO

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RISK TOLERANCE

If the return from this portfolio was negative over a year, thus generating paper financial losses in the short run, I would continue to uphold my initial investment strategy.

YOU ANSWERED YES

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International Equities	25.0 %	0.0 %	10.0 %	20.0 %
Canadian Bonds	0.0 %	20.0 %	35.0 %	50.0 %
International Bonds	0.0 %	0.0 %	0.0 %	15.0 %
Cash	20.0 %	0.0 %	0.0 %	30.0 %

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ACCOUNT - John RRSP account (continued)

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ROLES AND RESPONSIBILITIES

ROLE AND RESPONSIBILITIES OF THE INVESTOR

As the investor, I will:

- ▶ Agree to the investment strategy specified in writing herein.
- ▶ Periodically meet with my account representative to discuss rebalancing of the portfolio
- ▶ Will inform my account representative of any material changes in my financial, professional, health or other situation that may impinge on the present and future characteristics of the portfolio.
- ▶ Respond to my account representative's requests for information.

ROLE AND RESPONSIBILITIES OF THE ACCOUNT REPRESENTATIVE

As your account representative, I will:

- ▶ Meet with you periodically to review your asset mix and assess the need for rebalancing your portfolio.
- ▶ To the best of my knowledge and experience, uphold the investment strategy specified herein.
- ▶ Respond to your requests for information.
- ▶ Regularly report to you on the value of the securities we have transacted for our account.

DISCLAIMER

- Any reference in this Statement to "Equities " is typically a reference to Equity Mutual Funds and any reference to " Bonds " is typically a reference to Bond Mutual Funds.
- In case of any conflict between the content of this Statement and the content of your Account Opening Form signed with your Dealer, including without limiting the generality of the foregoing , information regarding your investment objectives and risk tolerance , the content of your Account Opening Form shall be determinative
- Past performance is not indicative of future performance. The value of investments will fluctuate and is not guaranteed. Always read the Simplified Prospectus before investing.

I, John Doe, have read and understand the information presented above. I agree to the portfolio strategy described herein and agree to the statements contained herein and to any actions consequential to them.

I, Jane Doe, have read and understand the information presented above. I agree to the portfolio strategy described herein and agree to the statements contained herein and to any actions consequential to them.

I, Mary Broker, have read and understand the information presented above. I agree to the portfolio strategy described herein and agree to the statements contained herein and to any actions consequential to them.

John Doe

Jane Doe

Mary Broker