



PRIVATE WEALTH
MANAGEMENT

Mr. and Mrs. S and The Mestern Group

The entrepreneurial Mr. and Mrs. S were running a distribution business when The Mestern Group knocked on their door in 1999. This long-term relationship began with opening a Registered Retirement Savings Plan (RRSP) and as their business grew, they trusted the team to manage their new money.

What did Mr. and Mrs. S need from The Mestern Group?

As they were already managing considerable financial risk in their company, Mr. and Mrs. S were very risk adverse concerning money they accumulated outside their business. During their peak earning years and in next stages of their lives, the key to our successful relationship is that we always listened to their financial needs. They were not planning to grow a significant nest egg for a future generation, instead, their goal was to support various charitable organizations with their accumulated wealth. The Mestern Group worked with their goals, using our **myStory myRoadmap (mySmyR)** estate planning platform.

What tailor made solutions did The Mestern Group provide Mr. and Mrs. S?

Initially, their financial plan focused on fixed income related investments. They invested in their RRSPs as interest income was deferred tax free. The considerable drop in interest rates in the last years made it challenging to meet their income needs and The Mestern Group provided solutions to keep their income at a higher level, avoiding using very low risk approaches.

The Mestern Group defined the risk and return of each building block portfolio; Mr. and Mrs. S were early adopters of our Income Bond portfolio, a global bond strategy paying between 3.5% and 4%. Then we added the Tactical Income model, a portfolio consisting of fixed income and equity securities with a 4% income target. Finally, they invested in our Liquid Alternative portfolio, providing a target income of 3% while adhering to their low-risk requirement. Overall, these solutions helped them retain their high income.

What were the details of Mr. and Mrs. S' financial plan?

When they sold their successful business, The Mestern Group did a comprehensive analysis using **mySmyR** to determine what Mr. and Mrs. S needed. The Mestern Group then worked closely with their accountants to complete a plan for their capital to be invested in the most tax efficient way possible.

How did The Mestern Group deal with charitable donations?

1. Clients making a charitable donation while living - annual donations or by creating a charitable trust or foundation. The Mestern Group used **mySmyR** to calculate the best strategy to make an annual or lump sum donation to support a worthy cause and use charitable donations to benefit the current tax situation.
2. Clients commencing donations posthumously - an option allowing an individual to donate either through their will or by creating a charitable trust or foundation.

A comprehensive list describing the 8 options available for donations to the 3 different types of charitable organizations can be found [here](#).