

YOUR CLIENTS

7 Create the PFO Legacy

WHY is this important?

Why is creating a PFO Legacy important? First, here is what we know about most clients:

- They are often *disorganized* when it comes to many aspects of their financial world
- They are *unaware* of the various pieces of their wealth puzzle and are unsure of the next steps
- They are looking for *trustworthy leadership* and guidance for their wealth management
- They want *financial peace of mind* – know everything is cared for and their family will be okay
- *One of them worries* about the thought of something happening to the other – but may never bring it up

Times are Changing

ALL clients are becoming more informed, expect more from an advisor for the fees they pay, and will leave their advisor if all they do is provide investment advice – they can get that far cheaper through other investment channels. Media messages are hammering this inherent lack of service from advisors' home – your clients are seeing, hearing, and reacting to this. In addition, sources indicating that:

- The 55 – 75 age group is the *most underserved* when it comes to financial planning – and they are the ones who need it the most
- This group is often retired for 10, 20 and even 30 years or more – *they still have goals*, but it's not getting 'to retirement' anymore its 'living through it', 'enjoying life', 'minimizing taxes', 'not outliving their money' and 'leaving a legacy' to those they care about
- The 55 to 75 age group controls *70% of the wealth*

WHO is this proven strategy designed for?

For Advisors who want to demonstrate continued value to their clients and in doing so make a meaningful difference in their lives by carefully monitoring all the various aspects of wealth management they are relying on their Advisor for.

WHAT should you expect?

You will:

- Use the PFO to simplify and organize wealth management for your absolute best clients
- Have the PFO become a significant part of your branding
- To become the 'go to' person as it relates to any topic on wealth
- To connect meaningfully to the 'other half' of the relationship
- Maintain elevated levels of compliance with your clients through a documented process
- Demonstrate a high standard of care & accountability that will contrast you favourably to other advisors

Take Action & Implement Successfully

To get re-acquainted with the PFO Concept, review [Enhance Your Branding with the PFO](#) which was previously covered in **Pillar 3: Client Onboarding** – The 3rd Appointment. If it has been a while since you have been active with your PFOs, you may want to review the entire module.

Create a Process that Focuses on Bringing & Discussing their PFO

1. When *scheduling Review Meetings* with clients who have PFO Binders, it is important they are prompted and reminded to bring their PFO Binder in as part of the process.
 - Refer to the [PFO Review Meeting Booking Script](#).
2. When *confirming Review Meetings* with clients who have PFO Binders, it is important they are once again prompted and reminded to bring them in as part of the process. We are helping them form a new habit and this will take consistent reinforcement.
 - Refer to the [PFO Review Meeting Confirmation Call Script](#).
 - If you send a Confirmation Email, be sure to remind them to bring their PFO Binder.
3. Use a *Review Meeting Agenda* that reinforces the PFO as the essence of how you provide wealth management solutions to your clients by simplifying, organizing & coordinating all aspects of their Wealth Management.
 - Refer to the [PFO Review Meeting Agenda](#).

5 Simple Steps to Create the PFO Habit

1. Remind them to bring the PFO when you **book the meeting**
2. Remind them to bring the PFO when you **confirm the meeting**
3. Thank you for bringing their PFO when they **attend the meeting**
4. Always add to the binder **at the meeting** to keep it up-to-date and meaningful!
5. **After the meeting**, send a follow up email asking if they have any questions about any of the new items added to their binder.

How to Manage the PFO Updates

1. Review A Masterful Approach to Demonstrate Value which outlines the 3 core ways you can keep the PFO meaningful and relevant:
 - Provide them with Updated Information You Create & Deliver
 - Give them Something New & Insightful to Think About
 - Encourage them to Update Information Others Create & Deliver

Each of these will be covered in more detail below so you can choose the best combination and approach based on where you and your clients are today in relation to the PFO.

2. As part of your Review Meeting process, you need to prepare and provide your clients with *updated information specifically related to the wealth management solutions and planning* you have undertaken on their behalf. This would typically include updated:
 - Financial Plan and/or Financial Projections
 - Current Portfolio Summary
 - Net Worth Statement
 - PFO Summary

Additional information is provided in the A Masterful Approach to Demonstrate Value resource.

Everything you provide for their PFO binder should be three-hole punched and ready to insert.

3. As part of your Review Meeting process, you should give them *something new & insightful to think about that will benefit them immediately or at some point in the future*. This would include something directly related to the core areas of your PFO:
 - Cashflow Planning
 - Tax Planning
 - i. Review Tax Packages for Your High Value Clients
 - ii. Review Tax Package Cover Letter
 - iii. Review Sample Tax Information
 - Retirement Planning
 - Investment Management
 - Your Family's Security
 - Caring for Others
 - Your Legacy
 - Business Succession & Planning

Teams who have the most success with this approach pick *one area each year* to focus on educating and/or working on with their clients. We do not recommend you provide them with information in multiple sections of their PFO binder all at once because it may be overwhelming – the only exception would be if their circumstances were such that they needed it.

Keep in mind you will be discussing all sections that are relevant to them regardless, but the intention here is to provide them with new information or a new resource that will directly enhance the concept of simplifying, organizing & coordinating their wealth management.

Many specific examples of what to provide them are included in the [A Masterful Approach to Demonstrate Value](#) resource. Choose one new addition for the PFO this year and continue with this process each subsequent year.

4. Finally, encourage them to keep the various types of other valuable information they may store in the PFO binder from other professionals and service providers up to date as well. This might include Tax Summaries, Insurance Policies, Mortgage & Loan Statements, Bank Statements, Contact Information for their other Professionals (CPAs, Lawyers), etc.

This will require reminding them and you can do this in a couple of ways:

- Provide them with the [Keeping Your PFO Up to Date & Tidy](#) resource which is a letter and checklist providing them with specific guidance on how to keep it relevant and organized.
 - i. This can be provided to your client during a meeting, as a meeting follow up, or as a separate mail-out campaign at any point during the year.
 - ii. You will want to customize this resource and have it fully branded to your practice.
 - Launch *the PFO Spring Clean Campaign* each year to help them create a habit that will continue to serve them.
 - i. Include the [“It’s time to Spring Clean Your PFO” Cover Letter](#), which again can be customized and fully branded to your practice.
 - ii. Each year choose something to include with the letter that relates to the PFO such as, a plastic pouch that fits in their binder and can contain any number of items they wish to store, a branded notepad, a pen, post-it notes, or a lined pad of paper to go in the back of the binder.
5. Expect to spend some time each meeting answering questions about what goes where in the binder and helping your best clients keep it organized – this is a terrific use of your time because it provides them with the peace of mind everything is exactly as it should be.
 6. Password and identity protection are key components in this online world. [Review Tips for Identity Theft Protection](#) to better understand how to work against online dangers.
 - Review Password Protection.
 - If you are having a tough time organizing your passwords, review [Passwords](#).



Other Ideas to Showcase & Reinforce the PFO Concept

1. Reinforce the **PFO on phone calls with top clients** – ask them if they are using it, if they received their last PFO update (if recently sent out), or simply if they have any questions about it. Keep the conversation about the PFO going.
2. Hold a **PFO Spring Clean or PFO Frequently Asked Questions Webinar** for clients once a year – this will be a great refresher for some clients and capture all your new clients.
3. Refer to it in various **newsletters and articles** you send out where appropriate.

Enhance Your Branding with the PFO - *Revisited*

The Personal Financial Organizer (PFO) is a tangible client deliverable that enhances your branding and clearly positions the value you deliver in terms of simplifying, organizing, and coordinating all aspects of wealth management.

Focus on Their Significant Life Events

The PFO is a simple tool for you and your clients to organize the many Critical Financial Events they may encounter over the course of their lifetime working with you. We recommend you use the following tabs in your binder to assist with organization:

- Cash Flow Planning
- Tax Planning
- Retirement Planning
- Investment Management
- Your Family's Security
- Caring for Others
- Your Legacy
- Business Planning and Succession



Significant
Life
Events

You may wish to rearrange the order of the tabs, rename them based on personal preference or use those readily available in ready-to-go, firm-approved resources. If you do, we recommend you make these same revisions on the Personal Financial Organizer template, so they fully coordinate with each other.

Bring Financial Peace of Mind to Your Clients

There are two key types of information which fit well into the binder:

- Primary Information → These are the core client deliverables you create & control
- Secondary Information → These are the items clients can add to their binder (3rd party)

The Primary Information consists of anything you currently create for your client in terms of Wealth Management – both financial planning and investment management pieces. Instead of these items going home and getting lost or forgotten, they now have a permanent home to constantly remind the client of all that you've done for them – and can continue to help them with. This is the value of the PFO.

The Secondary Information consists of anything your client has that may be related to one of the core areas, not generated by you. For example, they may wish to keep a copy of their pension statements in the Retirement Planning section or a copy of their latest Will in the Your Legacy section of the binder. When clients embrace the binder in this way, the PFO takes on an entirely new meaning – it becomes *the book*. The one that if anything should happen to them, this is what the executor would need. This of course, is a secondary positioning of the PFO. The primary purpose of the PFO is to create the financial peace of mind we know most clients are looking for and that most are lacking.

This Binder Will Become Synonymous with Your Branding

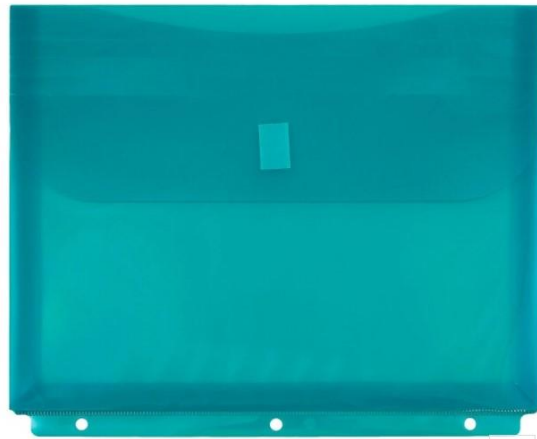
We recommend you use a quality binder that will stand the test of time with your best clients. In other words, you don't want the cover ripping and showing exposed cardboard a year into using it. Most of the advisors we work with find quality binders they are proud to have associated with their branding in the \$40-\$80 range. Since this is a tool for your elite clients consider it an important investment - money well spent.

We often get asked if the binder needs to have branding and logos on it. You can save yourself the time and money by using a generic binder and keep the branding and logos for the contents inside your binder. We also know this industry is full of change with respect to branding – firms get acquired by others and adopt new names and people join forces to create new teams. This is a good reason to keep the outside of the binder logo-free. Lastly, we recommend the color of the binder tie in with the theme with your overall branding, if possible. From a technical standpoint, we recommend you use a binder that has a 2 or 3-inch ring diameter because this will eventually house a lot of important information. A 1-inch ring is simply too small.

The Client Focus Continues

These items are not required in the binder but can add value and increase the user-friendliness of it. You may come up with some of your own ideas here.

- Notepad and Pen
- Estate Planning Checklist (includes place to put all Account numbers, contact lists, etc.)
- Plastic Pocket Sleeve to store any non-standard size documents or items they don't want 3-hole punched (see image)
- Several Pre-addressed, Postage-paid Envelopes for clients to easily send documentation and checks etc.
- An extra Tab for "Your Current Situation" where the most recent financial profile completed for the client is stored



PFO Review Meeting Scheduling Call Script

This is the booking script for setting up Review Meetings with clients. It's recommended the Assistant make this call.

We recommend the Review Meeting is booked 2 weeks out from the date of this call.

- [Client's Name] please?
- This is [Assistant] calling from [Advisor's] office.
- The reason I am calling is to arrange your [annual or semi-annual] Review Meeting with [Advisor].
- Are you available during the week of the [month and date]?
This timeframe should be approximately two weeks from the date of this call.
Through client conversation, determine a suitable day and time for the meeting.
- Great [Client] – that day and time works for everyone.
- You can expect this meeting to be about one hour.
- Please remember, [Advisor] will be reviewing and updating your Personal Financial Organizer.
- Therefore, it is very important you bring your Personal Financial Organizer binder with you to this Review Meeting – we will be providing you with some important updates.
- Before I go, do you have any other questions [Client]?
- Great - thank you for your time.
- We look forward to seeing you on [date and time].

PFO Review Meeting Confirmation Call Script

This is the confirmation call script for clients coming in for a Review Meeting.

It is recommended the Assistant makes this confirmation call.

- [Client] please?
- This is [Assistant] calling from [Advisor's] office.
- I'm calling to confirm your Review Meeting with [Advisor] at [time, on date].
- Please remember, [Advisor] will be reviewing and updating your Personal Financial Organizer.
- Therefore, it's important you bring your Personal Financial Organizer binder with you to this meeting.
- Do you have any other questions?
- We look forward to seeing you at [time], on [date].

Your Wealth Management Planning Session

Client Name
Month Day, Year
Time

- **Meeting Overview**
- **Review of Our Practice & Purpose**
 - Our Wealth Management Approach
 - Our Introduction Process
- **Review of Your Personal Financial Organizer**
 - What & Who is Important to You?
 - Your Goals & Significant Life Events
 - Your Family & Other Important People or Purposes
 - A Review of Your Current Wealth Management Strategies
 - Cashflow Planning
 - Tax Planning
 - Retirement Planning
 - Investment Management
 - Family Security
 - Caring For Others
 - Your Legacy
 - Business Planning & Succession
 - Is there Anything Else You Would Like to Discuss?
- **Meeting Wrap Up**
 - Administrative Follow Up
 - Do You Have Any Questions?
 - Next Steps

A Masterful Approach to Demonstrate Value

There are three keyways you can demonstrate exceptional value to your clients through the PFO Concept and your commitment to keeping it relevant and up to date.



Provide Updated Information You Create & Deliver

There are a few core items you are going to want to update as a matter of engaging in a meaningful Wealth Management Review & Planning Session with your client including:

- **Financial Planning** which can be housed in the Retirement Planning Tab and may be a full Financial Plan update or specific aspects requiring updates at that time such as: Retirement Planning, Cashflow Planning, Education Planning, etc.
- **Current Portfolio Summary** which can be housed in the Investment Management Tab provides an overview of the Investment Management you are providing and includes things such as holdings, values, and asset allocation.
- **Net Worth Statement** which can be housed in the Cashflow Tab a baseline financial report card for clients and summarizes the collective results of all their wealth management efforts.
- **PFO Summary** which can be housed at the front of the PFO Binder and serves as the executive summary for everything you are doing on behalf of your client. This is the roadmap that defines all you have done, are doing, and can do for your clients over the lifetime of working together.

There may be other updates you need to provide them with at this meeting based on specific deliverables or solutions you've been engaged in since their last meeting, which might include a new **Insurance Policy**.

All updates you provide to your clients for their PFO binder should be three-hole punched and ready to insert. If you are mailing these updates after or in between meetings, be sure to send them in a full-size business envelope so they are not folded up – and of course ensuring they are three-hole punched and include a note with respect to where they go in the PFO binder.

Give them Something New & Insightful to Think About



In addition to the items that you specifically create and deliver as matter of preparing to meet with your clients, we recommend you consider picking one item as a theme for updating with your clients each year. You can look at the major sections of the PFO below and easily identify areas for meaningful education, discussion and/or engagement:

- Cashflow Planning
- Tax Planning
- Retirement Planning
- Investment Management
- Your Family's Security
- Caring for Others
- Your Legacy
- Business Succession & Planning

Here are some great ideas to consider as additions to your PFO over the coming years. Many of these may be available from your Financial Organization, Wholesalers, Strategic Partners, or other Professionals you have in your network. You may also be able to find great templates for some of these online that are available for complimentary use, or you may wish to custom create your own.

Cashflow Planning

- Cashflow is often a key component of achieving specific goals so ask them to complete the What's Important to Them? This will lead to a great conversation and likely result in the celebrating of past goals and initiation of new ones. Always be looking for Moments of Truth during this discussion.
- Provide them with helpful information related to cyber security and monitoring their credit rating.
- Provide them with annual budgeting tools each year to help them manage their goals and/or help navigate life changes where appropriate.

Tax Planning

- Provide them with an annual Tax Package with everything they need to complete their taxes easily (gain/loss reports). Refer to the following samples:
 - Tax Packages for Your High Value Clients
 - Tax Package Cover Letter
 - Tax Information Sample
- Provide them with Important Tax Information & Dates (what to expect and when) which are readily available from financial advisory firms and/or CPAs.
- Provide them with the schedule of various Tax Rates.
- Collect or confirm contact information related to their current CPA or Accountant, offer to initiate a Letter of Authorization (LOA) which enables you and their appointed CPA to exchange important information to ensure everyone is working in unison as it relates to the client goals.
- Send them the one-time Tax Planning Kit as an extension of the PFO concept – refer to the resources provided in this best practice.

Retirement Planning

- Provide them with a helpful checklist about preparing for retirement beyond the financial aspects.
- Provide them with helpful information about decision-making related to collecting their government provided old-age pensions.

Your Family's Security

- Check with your clients related to their Insurance Needs which can be done by your team if Insurance Licenses are held or can be coordinated by the Insurance Advisor you have aligned with as a strategic partner:
 - Life Insurance
 - Critical Illness & Disability Insurance
- You can also confirm name and contact information of their Insurance Advisor (if it isn't your team).

Caring For Others

- Provide them with helpful information about Education Savings & Planning.
- Provide them with guidance for managing those with Special Needs – including aspects that may go beyond the financial aspects you are directly responsible for.
- Consider offering them separate PFO binders for the others they care for to help them separate affairs easily – this may be a special needs dependent or an aging parent.
- Provide them with an Executor Checklist - these resources are often available by Attorneys and/or your firm and quite honestly, there is a strong probability that your clients is an Executor for someone. Not only will it prepare them, but it is a great form of educating them for how to organize their own affairs.

Your Legacy

- Provide them with a comprehensive Estate Planning Checklist for their binder.
- But don't just provide it to them, you may want to assign some homework around completing specific pages. We all know this information is important but who has time to do it? The problem is, by the time you need it, it's often too late. Be the hero that coaches your client to complete this so it's there when they need it.
- Conduct Will, Power of Attorney & Beneficiary Reviews: Significant life events happen to your clients and some of them have a profound effect on their last & final wishes. It's important you check in on the state of their Will as well as, who you have on file as beneficiaries for their accounts.
- The Family Love Letter: This concept is about encouraging them to write, draw, sing or create anything they would like their family to know in the event of something happening.
- You can also confirm name and contact information of their Lawyer.
- You can also refer them to a good Lawyer or Attorney if they need one.

Business Planning & Succession

- Provide them with information related to business succession planning.
- Convey to them the other business owner services available from you or others at your organization – for instances Group Investment Plans, Group Benefits, Commercial Banking & Lending, Corporate Investing & business-related insurance (Key Man & Commercial Insurance).

Some of the resources mentioned above will result in meaningful conversations which are clearly more effective in person during a meeting, however some of these may also be initiated via mail or email. Regardless, we always recommend follow up on these types of initiatives in their very next meeting to ensure it wasn't missed or forgotten.

Teams will generally pick what to focus on based on what's going on in the industry environment, recent changes to regulations or laws, and/or the general themes they are observing in client conversations. Always look to your firm and/or strategic partners for quality resources you can share with your clients as part of the PFO process.

Encourage Updating Information Others Create & Deliver



There are many different things your clients may be keeping in their PFO binder to keep everything in one place in addition to the various things you are providing them – which is great!

Here are a few other things they may be storing in their binder:

- Property Assessments
- Property Tax Notices & Payments Receipts
- Property Insurance Policy
- Copies of Identification (Driver's License, Passports, Medical Cards, etc.)
- Keys to their Safe Deposit Box

This centralized method of organizing all things wealth related is what most clients are lacking and therefore, they value and appreciate this service as part of what you do for them.

Ask them if they've been keeping their PFO binder up-to-date and consider providing them with a PFO Checklist of Important Items – refer to the following page.

Tax Packages for Your High Value Clients

A simple, but welcome value-add.

Years ago, my own personal Financial Advisor sent me a very simple letter along with a plastic business size folder to store all my incoming tax slips and information. Here I am, eight years later, STILL using this durable, plastic envelope! As various tax slips and related information come to me throughout the year, I simply put them in this envelope and forget about them until now - Tax Time.

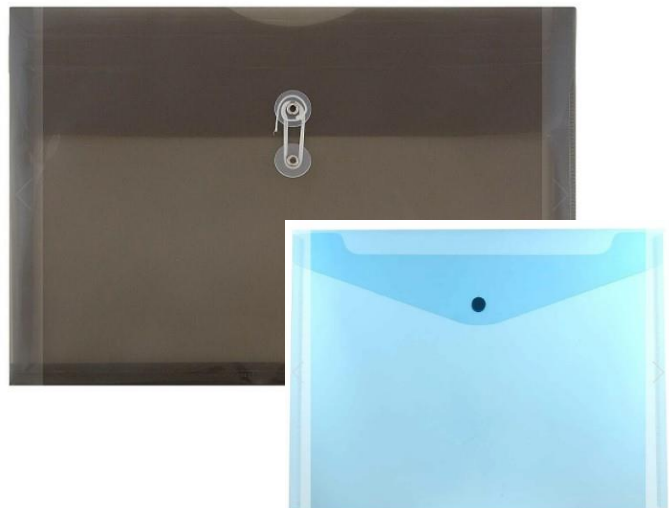
This simple item is a major stress-reducer for me because before I'd often forget where I put the various slips and information, which led me to having to request duplicates. This is not only time-consuming but also frustrating for all involved.

If this idea is something you believe would add value to your clients - let's get it done for the very next tax season! Refer to the **sample letter** on page 2 which is all that is required along with the Tax Envelope. However, if you can include additional information related to **tax-slip deadlines** (which many firms have assembled and ready to go) we encourage you to do so.

Tax Envelopes

You may have access to some awesome, already-branded **plastic envelopes** at your firm and if not, there are many options available from office stores, such as Staples which can be purchased in a variety of colors and styles.

You want to make sure you choose one that is at least 8.5 by 11" in size. I also strongly encourage you add a quality label with the logo and the client's name - remember Tax Package is NOT intended for all your clients, just your VIPs.



Extra Value-Add

You may also want to include a piece outlining **Important Tax Deadlines & Dates**.

Some teams go above and beyond for their highest, high value clients and include **Gain/Loss Report** and other tax-related information they know will be requested by the client and/or their accountant - but don't let this stop you - it is not required.

Tax Package Cover Letter

Along with this Cover Letter include an over-sized plastic pouch, which includes a label affixed to it with the client's name and your logo. Optional: You may also wish to include a schedule of tax-slip deadlines and/or Gain-Loss Reporting.

December 13, 2021

Name
Address
Address

Dear [Client],

Yes, it's official – it's tax time again.

It's Always About Simplification – For You

As you know, we are here to help you simplify, organize, and coordinate *all* aspects of your Wealth Management – which most certainly includes Tax Planning. As such, we are sending along a reusable Tax Pocket which you can use throughout the year to store the various tax slips and related tax information you receive so it is readily accessible when you need it - at tax time.

Don't let the simplicity of this fool you – most of us have at some point lost tax slips and information and had to go through the frustration of requesting and waiting for duplicates. Those days are over.

It's Also About Timing

We've also included an outline of deadlines related to the various tax slips you may receive this time of year, which we hope you find helpful.

Here to Serve You

We hope this Tax Package makes your life a little easier during tax season.

As always, feel free to contact us if you have any questions and we will be more than happy to assist.

Sincerely,

Advisor's Name
Advisor's Title

Sample Tax Information

Taxes & Investment Income

Three Types of Investment Income

The type of income produced by the investments in your portfolio affects how much you pay in tax on that income.



INTEREST

Earned on investments such as treasury bills, GICs and bonds.



DIVIDENDS

Paid as a portion of the after-tax profits made from a Canadian public company of whose stock you own.



CAPITAL GAINS

When an investment is sold, any profits on the investment (sales price less the original investment cost) are realized capital gains.



TAX TREATMENT

Interest is fully taxable at the same marginal tax rate as ordinary income.



TAX TREATMENT

Eligible dividends receive preferential tax treatment through the dividend tax credit.



TAX TREATMENT

Capital gains receive preferential tax treatment as only 50% of a capital gain is taxable.

TAXES ON \$10,000 OF INVESTMENT INCOME - British Columbia

This chart illustrates how much tax you would pay and how much you would keep if you had \$10,000 of investment income in interest, dividends and capital gains.



Assumptions: Scenario illustrates a British Columbia resident with \$100,000 of taxable income. Calculations use marginal tax rates as of January 2021. Rates take all federal and provincial taxes, surtaxes, and the basic personal tax credit into account.

Keeping Your PFO Up to Date & Tidy

With so much information related to your wealth, we know it isn't easy to keep it up to date. We recommend you engage in a PFO 'spring clean' once or twice a year to pull out anything that is outdated and no longer relevant so you can replace it with items that are up-to-date and relevant.

We've provided a sample list of what some of these items might be, but it is certainly not exhaustive. We know that many of our clients include items outside this list in the PFO and we are delighted that you are maximizing your ability to simplify, organize & coordinate all aspects of your wealth through our PFO process.

Cashflow Planning

- Net Worth Statement
- Cashflow Projections
- Income & Expense Summary
- Up-to-date summary of regular Saving Accounts
- Up-to-date summary of Bank Checking Accounts
- Up-to-date Mortgage Statement
- Up-to-date summary of Personal Loans and/or Line of Credit
- Up-to-date summary of Credit Cards

Tax Planning

- Tax Planning Strategies
- Tax Summary from the previous 2 years
- All Property Tax Receipts
- Information on Holding Companies or Limited Partnerships

Retirement Planning

- Retirement Projections
- Retirement Pension Plan Statements (private and public pensions)
- Summary of Retirement Accounts Assets
- Summary of Annuities
- Federal Benefits Statement

Investment Management

- Asset Allocation
- Investment Policy Statement
- Investment Strategies Summary
- Summary of all brokerage accounts
- Summary of all mutual funds
- Summary of Bank Statements pertaining to investments
- Stock Certificates and/or Bond Certificates

Your Family's Security

- Insurance Needs Analysis
- Health Insurance Policy
- Life Insurance Policy
- Disability Insurance Policy
- Extended Care or Critical Illness Insurance Policy
- Copy of Insurance Policies issued by 3rd party (Home, Auto, Travel)

Caring for Others

- Educational Savings Projections
- Cashflow Projections for Others (dependents)
- Summary of Educational Savings Plans
- Summary of Educational Scholarships or Bursaries
- Trust information
- Powers of Attorney for Other Family Members
- Joint Accounts with Other Family Members

Your Legacy

- Principal Residence Ownership
- A current copy of Will
- A current copy of Power of Attorney
- A current copy of Enduring Power of Attorney
- Trust information & Deeds to all Property

Business Planning & Succession

- Buy-Sell Agreements
- Life Insurance Policy
- Succession Plan

It's Time to SPRING CLEAN Your PFO!

This is the time of year when many are ready to do a big spring clean and we want to help you with a complete refresh of your PFO! Here are a few ideas to help you get your PFO in tip top shape for your next Meeting.

Step 1

Clear Out the Old

Remove any old items from your binder which may be out of date and/or no longer relevant to you. If you are afraid of letting go, you can paper clip or staple these items and store them somewhere else.

Step 2

Make Way for the New

Add any new items that are up-to-date and/or important for you to centralize in your PFO Binder.

Step 3

Identify Your Action Items

Carefully review the items in your binder and use post-It notes to flag areas you'd like to discuss with us and/or update at your next meeting. Be sure to write down any questions you may have for us.

Step 4

Our PFO Enhancements for this Year

Included with this PFO Spring Clean Package are a few items to add to your PFO:

- Important Tax Dates
- Helpful Tips for Identify Theft Protection
- Password Protection

All these items are three-hole punched, ready to go, and located within the **plastic pouch** enclosed.

This plastic pouch can also be added to your PFO binder to hold items which don't easily 3-hole punch (too small or thick), items you don't want to 3-hole punch (original documents) as well as your Safe Deposit Box Key.

Tips for Identity Theft Protection



Protect Usernames, Passwords & Pins

Keep your usernames, passwords, and PINs private, and don't store them on your hard drive.

Create tough-to-crack passwords and PINs, using a minimum of 8 letters and numbers and, if possible, special symbols.

Change your passwords often and avoid using the same password for multiple accounts.

Protect Your Wallet

Protect the personal contents of your wallet and passport from identify theft. Learn more at www.signalvaultcanada.ca

Protect Your Online Investment Account

Always use your own computer instead of a public or shared one. Confirm you have a secure web connection by looking for a website address starting with <https://> instead of <http://> and a secure symbol such as a key or a closed padlock on your status bar. When you are finished, be sure to completely log out from your browser.

Safeguard Your Computer

- Install a personal firewall and up-to-date security software.
- Set up your security to receive automatic updates for anti-virus, anti-spam, and spy-ware detection programs.
- If possible, use a Virtual Private Network (VPN) which offers additional protection, which standard networks do not.

Use Wireless Connections Wisely

- Use encryption software to secure your wireless connection at home.
- Shut off wireless connectivity if you leave your computer unattended.
- If using a hot-spot or an unencrypted wireless connection, disable wireless ad hoc mode to prevent unknown connections along with file and printer sharing capabilities.

Avoid Bad Situations

- Never respond to emails asking you to reveal personal information such as account numbers, SIN numbers, passwords, or PINs.
- Keep your SIN number private and avoid using it as a username, password, or PIN.
- Be careful when downloading files from sites or engaging with ("clicking on") pop-up ads.
- Delete applications you don't use on your cellphone.
- Shred financial documents and paperwork with personal information before you discard them.

Keep an Eye on Your Financial Situation

- Always review your monthly account statements and alert your financial institution right away about anything that isn't accurate.
- Store your financial records in a safe place, and shred – never simply throw out – documents containing personal information. Check your credit report annually.

Password Protection



How to Create a Strong Password

Choosing a **strong password** is the first step in password protection. If a person were trying to guess your password, they might try ten or so passwords a minute if they're fast. A computer can guess much, much faster. So how many permutations does it take to get your password?

Here are three key factors:

- **Length.** Each character increases the complexity exponentially. Therefore, passwords typically have a minimum requirement of 8 characters.
- **Character sets.** Each character set has a certain number of permutations. There are 26 lowercase letters, but only 10 digits (0-9), so you can see how "summer" is more secure than "536871" from the perspective of a machine running through different combinations of characters.
- **Common words.** A computer can run a "dictionary attack" against a password very quickly, testing for all real words, of which there are relatively few, compared to the huge number of character permutations possible. Suddenly "summer" isn't that great of a password after all.

Your password should be a combination of at **least both upper and lowercase letters** and a **number**. You should also include a **special character** to increase complexity, but make sure the character is supported by the mechanism you are using, as some are not.

You can find any number of password generators online, which can generate extremely complex passwords. Keep in mind that having separate passwords for every account can be too much to ask, with 18 character randomly generated passwords (see password managers section).



Change Your Password

Some service providers require and prompt regular password changes, while others do not. It's always a wise idea to change your password regularly – just in case! This is an important strategy to minimize risk and protect your private, personal information. We know, this may seem annoying but it's nothing compared to dealing with a compromised account, credit card fraud, or identity theft! Set a reminder on your phone/calendar.



Never Share Your Password

Never share your password with anyone!

Ideally, your password should only be in your head. If you must write it down, keep the password in a locked and secured location.



Different Site? Different Passwords

Many people will also use the same password for all their sites, which again increases the risk of compromise and exploitation. If a hacker cracks the code for one area of your life, they may have cracked them all! Even something as simple as adding a suffix or prefix to your passwords to differentiate them, for instance 'fb' for Facebook (i.e., fbTM4256lpg7) will prevent most cross-site compromises.



Don't Reuse Passwords

Most people choose to alternate between passwords, but this doesn't have the same effect as changing them to something new each time. Once a password is compromised, it can be exploited at any point in time – even years later! Choosing to reuse passwords increases your vulnerability and risk at being compromised.



Secure Your Reset Options

This approach protects you from people, rather than computers, who are trying to hack into your account. It's important to be thoughtful with your security questions and don't choose ones for which the answers are publicly available. Many people's accounts are hacked by people they know in real life. If you have an email account where password resets will be sent, be sure you are the only one who has access to it and that it too has a strong password to protect it.



Passwords Manager

Think carefully before you choose to use a password manager to store your passwords. The major browsers all have password storage systems, while the phone applications and cloud-based options work from any computer with internet access. The positive aspect of this is you don't have to remember all your passwords. The negative and even more concerning aspect is, that now your browser automatically logs you in so if your PC or laptop is stolen – someone else has instant access to ALL your accounts!



Don't Leave Windows on Your PC Open

If you are using a computer accessible by others, especially the public be sure to close the entire browser process when you are done. If you don't shut down the browser entirely, you may leave your session cookies available for the next person – which means they may have easy access to your information.



2-Factor Verification

Probably one of the most important mechanisms available, 2FA, as its name implies, prevents the compromise of a single authentication factor (the password) from compromising the account. The mechanism typically works by requesting the traditional login information, then sending a confirmation to a device, usually a smartphone, such as a text, phone call, or in-app security verification screen. Ideally, only the authorized person would have the smartphone and could then accept or reject the authentication requests as necessary. This is becoming more common!

