ROCKLINC
INVESTMENT PARTNERS

Worth. *Investing*.

A RETIREMENT GUIDE FOR CANADIAN INVESTORS

Retirement, *by design* not by default.

A practical framework for turning savings into dependable, tax-efficient income — and for stewarding what you've been given with confidence.

RETIREMENT PLANNING GUIDE

2026 EDITION

ROCKLINC INVESTMENT PARTNERS

What’s Inside

This guide moves from *why* to *how*. Sections 1 and 2 frame the problem; Section 3 is the working part — a worksheet you can fill in by hand; Sections 4 and 5 tell you what to watch and what to do next.

—	**Introduction** The Question We Ask Every New Client	02
01	**Why Retirement Planning Matters** Default destinations are rarely comfortable	03
02	**Common Mistakes** Government pensions, workplace pensions, and the RRSP trap	04
03	**A Retirement Planning Framework** Worksheets: net worth, guaranteed income, and the flexible layer	06
04	**Six Key Considerations** Timing, withdrawal order, taxes, inflation, surprises, legacy	11
05	**Closing & Next Steps** Your retirement, your direction, your control	12
—	**Index of Topics** Alphabetical reference to every subject covered	13

INTRODUCTION

The Question We Ask Every New Client

?

When we begin working with a new client, one of the first questions we ask is: *"Have you thought about a goal for when you'd like to retire, or what retirement might look like for you?"*

Some of the most common responses we hear include:

- "I don't know when, or if, I'll be able to retire."
- "How can I plan a retirement budget when the future feels so uncertain?" — often a reference to the rising cost of living.
- "I don't ever want to retire."
- A specific age — most often 55, 65, or 70.

Whatever your answer might have been, the fact that you've downloaded this guide shows that retirement is something you've already considered, or know you should. Whether you're actively planning for retirement, wondering when the right time might be, or simply trying to understand how to structure your savings and investments for the future, we hope you'll find it helpful.

WHAT WE'LL COVER

- Why planning for retirement matters
- Common mistakes and pitfalls to avoid
- A practical framework for building a retirement plan that actually works
- Key considerations to keep in mind
- Clear next steps

> OUR AIM
>
> To give you a clear picture of where you are today, help you ask the right questions about the future you want to build, and show you how to get there. Thoughtful retirement planning is part of being a wise steward of the resources you've been given — so you can care for your family and community while remaining generous with your wealth.

01

SECTION ONE

Why Retirement Planning Matters

> *The individual who does not plan for their future is a person who has accepted a default destination — and default destinations are rarely comfortable.*
>
> FINANCIAL ADVISORY MAXIM

> *Someone is sitting in the shade today because someone planted a tree a long time ago.*
>
> WARREN BUFFETT

Too many people picture retirement as endless days on a Grand Cayman beach, fancy drink in hand. The truth is far richer: retirement can mean so much more, and as stewards of the life God has entrusted to us, we can decide what it looks like in light of His purposes.

Seek a vocation that feels less like a job and more like a calling — work you love so deeply you want to keep doing it for as long as possible. That is a goal worth pursuing. Yet even the most passionate among us must prepare wisely for the day when energy, responsibilities, or health demand a different pace, honouring our responsibility before God to steward our time, strength, and resources well.

For those who answered our opening question any of the other ways, planning matters because it removes uncertainty.

A plan will help you:

- Understand how much income you need, and where that income will come from
- Protect yourself and your family against negative life events
- Identify gaps in your financial situation that need to be addressed
- Avoid costly mistakes
- Pay less in tax through deliberate tax planning — both now and in the future

THE POINT

The sooner you plan and act, the better the result. Time is the one input in this equation you cannot buy back later.

02

SECTION TWO

Common Mistakes

> *It is better to be approximately right than precisely wrong.*
>
> JOHN MAYNARD KEYNES

A popular mental model in the finance world is Charlie Munger's idea of *inversion*. Instead of asking "How do I succeed?" you ask, "How could I fail at my goals?" Once you understand the ways you could fail, you focus on avoiding those mistakes.

In retirement planning, mistakes are the things that push back your ideal retirement age, damage your retirement income or lifestyle, cost you significantly in tax, or shrink your estate.

Mistake 1 — Leaning too hard on government pensions

CPP and OAS are helpful building blocks, but for most people they are not enough on their own. You will still need personal investments and/or a workplace pension.

CPP — CANADA PENSION PLAN

During your career, deductions are taken from your paycheque and contributed to the CPP; your employer also contributes on your behalf. The amount you are entitled to differs from person to person based on your contributions and income during your working years.

OAS — OLD AGE SECURITY

This is a set amount Canadians qualify for after age 65. You must have lived in Canada for at least 10 years after the age of 18 to be eligible. OAS also increases by 10% at age 75.

> IMPORTANT — THE OAS CLAWBACK
>
> If your total taxable income exceeds **$93,454** (2026), the government begins to claw back your OAS. It is **fully** clawed back once total personal income exceeds **$152,062**. These thresholds are indexed and change regularly — always check the current figures before you retire.

Mistake 2 — Ignoring the timing and tax of those pensions

CPP can be elected to begin as early as age 60, and both CPP and OAS can be deferred to age 70. Taking the pension early reduces the amount by 0.6% for each month before your 65th birthday. Delaying increases the amount by 0.7% for each month you wait — both must begin by the month of your 70th birthday.

Both CPP and OAS are taxed as income. If these sources are not planned for properly, you can end up with a higher tax bill, an OAS clawback, or both.

Mistake 3 — Assuming your pension covers everything

If you are part of a pension through your employer, that's fantastic. These programs often make an enormous difference in retirement preparation, for two reasons. First, the pension either guarantees your income (a **defined benefit** pension) or your employer matches your contributions in some fashion (a **defined contribution** pension). Second, because the funds are locked in, investment mistakes are limited — you cannot panic-sell out of a pension.

The biggest mistake here is assuming the pension will take care of every retirement need. A steady stream of income is excellent — but what happens when you want flexibility? A trip. Spoiling the grandchildren. Replacing a vehicle. Paying for long-term care. It remains very important to build separate retirement savings (RRSP, TFSA, and so on) to protect yourself through retirement.

Mistake 4 — Hyper-fixating on the RRSP and under-using the TFSA

This is the most common investment-account mistake we see. Regardless of your political affiliation, it would be fair to say the Canadian tax system is burdensome. Many people approach their taxes with a single goal: pay as little tax as possible *this year*. That method of planning ignores future taxation entirely.

When you contribute to an RRSP, you reduce your taxable income for that year. For example, if you lived in Ontario and earned $100,000 in 2026 but contributed $10,000 to your RRSP, you would be taxed as though you earned $90,000. With no other credits or deductions, that saves you roughly $3,000 in tax this year at a marginal rate of 31.48%. Not bad at all. And over the course of your career, all capital gains, interest, and dividends inside the account are deferred until you begin making withdrawals in retirement.

But look at what happens next.

WORKED EXAMPLE — RRSP ONLY

A 25-year-old earning **$100,000** contributes **$10,000** per year to an RRSP, planning to retire at 65. Assuming a **9%** annual return, they would have an estimated **$3,378,824** at retirement.

Withdrawing **5%** per year gives a taxable income of **$168,941**. With no other income, their marginal tax rate is now **44.97%** — nearly 15 percentage points higher than during their working years. And that assumes the government never raises tax rates over the next forty years.

WORKED EXAMPLE — RRSP + TFSA

Now suppose the same person contributes **$5,000** to the RRSP and **$5,000** to a TFSA each year. They pay about **$1,500** more in tax annually during their working life. But at 65 they still have **$3,378,824** — now split evenly: **$1,689,412** in the RRSP and **$1,689,412** in the TFSA.

The RRSP pays roughly **$84,470** of annual income, taxed at a marginal rate of **29.65%**. Withdrawals from the TFSA are **100% tax-free**, so they could reasonably draw another **$84,470** from the TFSA with no additional tax at all.

RRSP ONLY	RRSP + TFSA
44.97%	**~12.6%**
Marginal rate on $168,941 of retirement income — all of it taxable.	Average rate on the same $168,941 — half of it drawn tax-free.

In other words: using both an RRSP and a TFSA can produce a similar amount of retirement wealth, with a dramatically lower tax bill on the income it produces.

THE LESSON

An RRSP is a very valuable tool for retirement savings. **It should not be your only tool.** When tax planning, you cannot look at any single year in isolation — the biggest savings come from planning across a long time horizon.

The figures above are simplified illustrations of how account structure affects after-tax retirement income. They assume a constant rate of return, unchanged tax rules, and no other income. They are not a forecast or projection of any investment's returns; individual results will differ.

03

SECTION THREE

A Retirement Planning Framework

The first step in retirement planning is to take stock of where you actually stand. Work through the three worksheets that follow — assets, liabilities, and guaranteed income — filling in your best estimates as you go.

Step 1 — Take inventory

List the estimated value of each asset you hold. Round freely; precision matters less than completeness.

WORKSHEET A — ASSETS

1	Cash / emergency fund *Cash in the bank — not money held in investment accounts.*	$ ______
2	Investment accounts *For now, just the combined total of all investment accounts.*	$ ______
3	Personal residence	$ ______
4	Other real estate	$ ______
5	Vehicles	$ ______
6	Ownership in a business *Include only if you plan to sell the business.*	$ ______
7	Other assets	$ ______
8	**Total assets — add lines 1 through 7**	$ ______

WORKSHEET B — LIABILITIES

9	Credit card balance *Enter $0 if you pay your card in full each month.* Interest rate: .... % Monthly payment: $........	$ ________
10	Line of credit balance Interest rate: .... % Monthly payment: $........	$ ________
11	Mortgage — principal residence Interest rate: .... % Term: .... (yrs, fixed/var) Monthly payment: $........ Amortization: .... years to $0	$ ________
12	Mortgages — other real estate Interest rate: .... % Term: .... (yrs, fixed/var) Monthly payment: $........ Amortization: .... years to $0	$ ________
13	Car loans Interest rate: .... % Monthly payment: $........ Amortization: .... years to $0	$ ________
14	Other liabilities and debts Type: .... Interest rate: .... % Monthly payment: $........ Amortization: .... years to $0	$ ________
15	**Total liabilities — add lines 9 through 14**	$ ________
16	**Total net worth — subtract line 15 from line 8**	$ ________

Understanding your net worth matters because it gives you a true snapshot of your financial health. Excessive debt erodes your income during your working years and, if not managed properly, keeps doing so in retirement. At the planning stage, taking inventory highlights your priorities — whether that is eliminating debt or growing investments.

Step 2 — Add up your guaranteed income

Next, estimate the income you will receive from each source in retirement. Start with the guaranteed sources and build out from there.

WORKSHEET C — GUARANTEED RETIREMENT INCOME (ANNUAL)

—	**Government pensions**	
1	CPP — Canada Pension Plan *Your amount depends on the age you start benefits, how much and how long you contributed, and your average earnings over your working life. Estimate yours at canada.ca.*	$ ________
2	OAS — Old Age Security *Currently about $743 per month from age 65–74 and $817 per month from 75 onward. To receive the full amount you must have lived in Canada for 40 years after age 18. Clawed back above the annual income threshold (see Section 2).*	$ ________
—	**Workplace pensions**	
3	Defined benefit (DB) pension *Provides a formula-based income in retirement, typically based on years of service and salary.*	$ ________
4	Defined contribution (DC) pension *You and your employer both contribute to an individual account. Income in retirement can be flexible but varies widely, based on contributions and investment returns.* Account balance: $........ *× 5% to estimate annual income*	$ ________
5	Other predictable income *Rental income, annuities, and similar.*	$ ________
6	**Total pension income — add lines 1 through 5**	$ ________

Government benefit amounts and clawback thresholds are indexed and revised regularly. Confirm the current figures at canada.ca before relying on them for planning.

Step 3 — Decide how much income you actually need

The total pension income you just calculated is the foundation of your retirement income. The real question is: *how much income will you need to live on?*

There are different ways to answer this. Some argue for 70% of pre-retirement income as a baseline, on the assumption that most people will have paid off their mortgage by the time they retire, and that in retirement you will no longer be making CPP contributions or commuting to work.

But in the absence of going to work each day, you will need something to fill your time. Some volunteer. Some work part-time, pursue hobbies, travel, or look after grandchildren. It is important to consider what you want your retirement to look like so you can plan accordingly. And then there are the things that are genuinely difficult to plan for — healthcare needs, life expectancy, funeral costs, estate planning.

Step 4 — Build the flexible layer

Both the planned and the unplanned parts of retirement create a need for a *flexible* portion of retirement income. That flexibility comes from your personal investment accounts. Here are the three most common types.

RRSP — REGISTERED RETIREMENT SAVINGS PLAN

A tax-deferred account designed to help you save for retirement.

- Contributions reduce your taxable income, lowering tax owed for the year and often producing a refund
- Investments grow tax-free inside the account

- Withdrawals in retirement are taxed as income

RRSPs are useful because they let you compound your assets without the annual drag of taxation, and they help manage your tax liability during your working years. In simple terms: an RRSP reduces your tax while you work, and you pay tax later when you take the money out.

When you retire, your RRSP can be converted into an **RRIF**, which requires minimum annual withdrawals based on your age. Planning those withdrawals is a central part of retirement income planning. Key considerations include when to begin, how much to withdraw annually and how that affects your eligibility for benefits such as OAS, managing the annual minimum, and the overall income tax impact.

Each year you get older, the minimum percentage you must withdraw increases — which can have a material effect on your retirement income.

RRIF MINIMUM PAYOUT SCHEDULE

Based on the December 31 account value of the preceding year.

AGE AT START OF YEAR	MINIMUM PAYOUT
65	4.00%
66	4.17%
67	4.35%
68	4.55%
69	4.76%
70	5.00%
71	5.28%
72	5.40%
73	5.53%
74	5.67%
75	5.82%
76	5.98%
77	6.17%
78	6.36%
79	6.58%
80	6.82%

AGE AT START OF YEAR	MINIMUM PAYOUT
81	7.08%
82	7.38%
83	7.71%
84	8.08%
85	8.51%
86	8.99%
87	9.55%
88	10.21%
89	10.99%
90	11.92%
91	13.06%
92	14.49%
93	16.34%
94	18.79%
95+	20.00%

TFSA — TAX-FREE SAVINGS ACCOUNT

A TFSA offers tax-free growth *and* tax-free withdrawals. It is not retirement-specific, but it can be extraordinarily useful in a retirement plan.

- Contributions are made with after-tax dollars — there is no up-front tax benefit as there is with an RRSP
- All interest, dividends, and capital gains generated inside the account are received tax-free, with no cap on investment returns
- You can withdraw funds at any time, without tax or penalty

- Contribution limits apply — you begin accumulating room in the year you turn 18, whether or not you have opened an account

TFSAs are valuable in retirement planning because they provide flexibility. You can take money out whenever you need it without affecting your tax bill and without increasing your taxable income — which protects your eligibility for benefits such as OAS. In simple terms: a TFSA gives you no tax break today, but it lets your investments grow and be withdrawn completely tax-free.

> **A NOTE FOR READERS IN THEIR 20S AND 30S**
>
> You have a very long time horizon. By prioritising your TFSA contributions and following a disciplined, patient investment strategy you actually stick to over several decades, you could realistically fund most of your retirement income from a TFSA — entirely tax-free.

NON-REGISTERED ACCOUNTS

A non-registered investment account is a regular account with no tax shelter. You can add or withdraw money whenever you like, but growth on your investments is taxed. Within the account you may earn:

- **Interest** — taxed at your full marginal rate, the same as employment income
- **Dividends** — slightly more favourable treatment thanks to the dividend tax credit
- **Capital gains** — taxable only when an investment is sold at a profit, and only 50% of the gain is added to your taxable income

In the context of a retirement plan, a non-registered account provides additional income and flexibility without necessarily increasing your taxable income by the full amount withdrawn. It is important, though, to consider the *type* of investment return being generated and how it affects your tax situation in retirement.

Putting it all together

Retirement planning is about bringing together your income sources, investment accounts, assets, and liabilities and structuring them so that they reliably fund your lifestyle in retirement.

Government and workplace pensions provide the foundation. Taking inventory of these sources determines whether there is a shortfall that must be made up from personal savings and investments.

Next, consider what income your RRSPs, TFSAs, and non-registered accounts could generate. Forecast future growth conservatively to estimate what that income might look like at retirement.

If a shortfall remains, examine your assets and liabilities more closely. First, focus on paying off debt carrying high interest rates to free up monthly cash flow — the sooner you address those liabilities, the sooner that disposable income can be redirected. Second, determine whether you hold assets, such as a second property, that could either generate cash flow or be sold with the proceeds invested to create an income stream. Third, work out what you need to begin contributing now to reach your income target.

Each piece of the puzzle plays a distinct role. Understanding what each one does — and how they fit together — makes life less stressful and materially improves your odds of reaching your goals.

04

SECTION FOUR

Six Key Considerations

1. Timing

When you retire makes a large difference to how much you need. Retiring earlier means a longer period your investments must last — and therefore a larger nest egg.

2. Withdrawal order

The sequence in which you draw from your accounts influences both your tax liability and your eligibility for benefits such as OAS.

3. Taxes

Tax efficiency is critical. Consider both taxable and non-taxable sources of income to maximise benefit eligibility and reduce your overall tax burden.

4. Inflation

The Canadian government continually spends beyond the nation's means while also printing money, reducing the value of the Canadian dollar. Plan for rising costs — particularly in healthcare and living expenses — with a sound investment strategy.

5. Unexpected expenses

Just as surprises arrive during your working years, they arrive in retirement too: healthcare costs, renovations, travel, replacing a vehicle. Account for them with an emergency fund and an investment buffer.

6. Legacy

Estate and legacy planning belong in your overall plan — up-to-date wills, powers of attorney, and named beneficiaries where appropriate. A plan in place minimises taxes and probate, increasing the share your beneficiaries actually receive.

> ON LEGACY — A NOTE WORTH SITTING WITH
>
> Many people treat legacy planning as something that happens after death. Consider instead a legacy plan that takes place year over year, so you can see your children, your church, and the ministries and charities closest to your heart prosper *while you are still living*. Handled well, this is also an effective way to manage an ongoing tax burden.

05

SECTION FIVE

Closing & Next Steps

Retirement planning isn't about hoping things work out. It's about deliberately placing yourself in the driver's seat of your financial future, so that you steer toward the life you want instead of reacting to whatever the road throws at you.

That means taking a clear-eyed inventory of where you stand. Converting savings and investments into dependable income. Coordinating every source of cash flow. Managing taxes with precision. And building a plan that lasts for decades, not just years.

This is never a one-time event. The strongest plans are living ones — reviewed, refined, and reinforced regularly, so you stay on course no matter how the landscape shifts.

Where to start this week

1. **Complete the three worksheets in Section 3.** Even rough numbers give you a starting point, and the gaps you can't fill are themselves useful information.
2. **Estimate your CPP and confirm your OAS eligibility** at canada.ca, and request an up-to-date statement for any workplace pension.
3. **Check your unused TFSA contribution room** against what you've been putting into your RRSP. If the balance is lopsided, that is the first thing worth revisiting.
4. **Write down what you want retirement to look like** — not the number, the life. The number follows from the life, not the other way around.

WHEN YOU'RE READY

When you're ready for a partner who will walk beside you, not just point the way, **ROCKLINC Investment Partners** is here. We'll help you design a personalised strategy and construct a portfolio that supports your long-term goals, your values, and the future you've worked so hard to create.

REFERENCE

Index of Topics

Page references are to the numbered pages of this guide.

A

Amortization 7

B

Business, ownership and sale of 6

C

Capital gains 5, 9, 10
Cash flow, freeing up 10
Charitable and ministry giving 11
Clawback, OAS 4, 8
Compounding 9
CPP (Canada Pension Plan) 4, 8, 12
  early election, age 60 4
  deferral to age 70 4
Credit card debt 7

D

Debt, paying down 7, 10
Defined benefit (DB) pension 8
Defined contribution (DC) pension 4, 8
Dividends 5, 9, 10
  dividend tax credit 10

E

Emergency fund 6, 11
Estate planning 8, 11

H

Healthcare costs 8, 11

I

Inflation 2, 11
Interest income 10
Inversion (mental model) 4

L

Legacy planning 11
Line of credit 7

M

Marginal tax rate 5, 10
Mortgage 7, 8
Munger, Charlie 4

N

Net worth 7
Non-registered accounts 10

O

OAS (Old Age Security) 4, 8, 9, 10
  increase at age 75 4, 8
  residency requirement 4, 8

P

Pensions, government 4, 8
Pensions, workplace 4, 8, 10, 12
Powers of attorney 11
Probate 11

R

Real estate 6, 7, 10
RRIF (Registered Retirement Income Fund) 9
  minimum payout schedule 9
RRSP (Registered Retirement Savings Plan) 5, 8, 9, 12
  contribution limits and room 12
  conversion to RRIF 9
  worked examples 5

S

Stewardship 2, 3

T

Tax deferral 5, 8
Tax efficiency 11
TFSA (Tax-Free Savings Account) 5, 9, 10, 12
  for readers in their 20s and 30s 10
  tax-free withdrawals 5, 9
Timing of retirement 11

U

Unexpected expenses 11

V

Vehicles 6
Vocation and calling 3

W

Wills 11
Withdrawal order 11
Worksheets 6, 7, 8

ROCKLINC
INVESTMENT PARTNERS

NEXT STEP

Your retirement. Your direction. *Your control.*

Let's build it together. Book a no-obligation conversation and we'll walk through your worksheets with you — where you stand, what's missing, and what to do first.

BOOK A CONVERSATION

info@rocklinc.com

Request an introductory call

SPEAK WITH US

905.631.5462

4200 South Service Road, Suite 102
Burlington, Ontario L7L 4X5

Worth. *Investing*.

rocklinc.com

IMPORTANT INFORMATION

Disclaimer

This guide is provided by ROCKLINC Investment Partners Inc. for general information and educational purposes only. It is not, and must not be relied upon as, investment, tax, legal, or accounting advice, nor as a recommendation to buy, sell, or hold any security or to adopt any particular investment or tax strategy.

No individual advice

The content does not take into account the specific objectives, financial situation, or particular needs of any individual reader. Retirement, tax, and estate planning are highly personal, and the appropriate course of action depends on facts unique to you. Before acting on anything in this guide, consult a qualified professional who is familiar with your circumstances.

Illustrations are not projections

All examples, figures, and rates of return in this guide are hypothetical and are used solely to illustrate a concept. They assume constant rates of return and unchanging tax rules, which is never the case in practice. They are not a forecast, projection, or guarantee of the future performance of any account, fund, or strategy. Investing involves risk, including the possible loss of principal, and past performance does not predict future results.

Tax and benefit figures change

Contribution limits, marginal tax rates, RRIF minimum withdrawal factors, CPP and OAS benefit amounts, and OAS clawback thresholds are set by government and revised regularly. Figures cited here were believed accurate at the time of writing but should be independently verified at canada.ca or with your tax advisor before you rely on them. Tax treatment described reflects Canadian federal rules and, where noted, Ontario provincial rates; treatment differs by province of residence.

Third-party information

Quotations and statistics attributed to third parties are reproduced in good faith from sources believed to be reliable. ROCKLINC does not warrant their accuracy or completeness and accepts no liability for any loss arising from reliance on them.

Registration

ROCKLINC Investment Partners Inc. is registered with the Ontario Securities Commission as a Portfolio Manager, Investment Fund Manager, and Exempt Market Dealer, and holds registrations in other Canadian jurisdictions. Nothing in this guide constitutes an offer to sell or a solicitation to buy units of any fund; any such offer is made only by Offering Memorandum to qualified investors in jurisdictions where the units may lawfully be offered.
