**INSTRUCTIONS INCLUDED WITH THIS ANONYMOUS QUESTIONNAIRE**

THE DETERMINANTS OF FINANCIAL PLANNING

The following is an anonymous questionnaire which we invite you to complete. This questionnaire was developed as part of a research project at HEC Montréal.

Since your first impressions best reflect your true opinions, we request that you please answer the questions included in this questionnaire without any hesitation. We do ask, however, that you take the time needed to consider certain questions that might involve concepts with which you are less familiar, or which require more specific information about your situation. In most cases, you will not be able to go back and change your answers once you change screen. There is no time limit for completing the questionnaire, although we have estimated that it should take approximately 20 minutes.

The information collected will be anonymous and will remain strictly confidential. It will be used solely for the advancement of knowledge and the dissemination of the overall results in academic or professional forums. It is possible that the collected data will be shared with other researchers, solely for non-commercial research purposes, for projects other than the one for which the data were originally collected.

The online data collection provider agrees to refrain from disclosing any personal information (or any other information concerning participants in this study) to any other users or to any third party, unless the respondent expressly agrees to such disclosure or unless such disclosure is required by law.

You are free to refuse to participate in this project and you may decide to stop answering the questions at any time. By completing this questionnaire, you will be considered as having given your consent to participate in our research project and to the potential use of data collected from this questionnaire in future research. Since the questionnaire is anonymous, you will no longer be able to withdraw from the research project once you have completed the questionnaire because it will be impossible to determine which of the answers are yours.

If you have any questions about this research, please contact the principal researcher, Pierre-Carl Michaud, at the telephone number or email address indicated below.

HEC Montréal’s Research Ethics Board has determined that the data collected related to this study meets the ethics standards for research involving humans. If you have any questions related to ethics, please contact the REB secretariat at (514) 340-6051 or by email at [cer@hec.ca](mailto:cer@hec.ca).

Thank you for your valuable cooperation!

|  |
| --- |
| Pierre-Carl Michaud  Professor  Department of Applied Economics  HEC Montréal  514-340-6466  [pierre-carl.michaud@hec.ca](mailto:pierre-carl.michaud@hec.ca) |

[SECTION 1. SHOW THE FOLLOWING TITLE TO RESPONDENTS:] **Background**

1. What is your gender?

1 Man

2 Woman

3 Prefer to self describe

8888888 Prefer not to say

1. How old are you? Please specify. [PN: MUST ENTER THE 2 CHARACTERS]

Numeric (18-100)

1. Which province or territory do you live in?
2. British Columbia
3. Alberta
4. Saskatchewan
5. Manitoba
6. Ontario
7. Quebec
8. New Brunswick
9. Nova Scotia
10. Prince Edward Island
11. Newfoundland and Labrador
12. Northwest Territories
13. Nunavut
14. Yukon
15. None of the above [TERMINATE IF QC==14]
16. What products are you licensed to sell, if any? Check all that apply.

|  |  |  |
| --- | --- | --- |
| QDa | Mutual Funds |  |
| QDb | Insurance and insurance-based products |  |
| QDc | Securities |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

1. What is the highest level of education you have reached?

1 Less than high school diploma or its equivalent

2 High school diploma or a high school equivalency certificate

3 Trade certificate or diploma

4 College, CEGEP or other non-university certificate or diploma (other than trades certificates or diplomas)

5 University certificate or diploma below the bachelor's level

6 Bachelor's degree (e.g. B.A., B.Sc., LL.B.)

7 University certificate, diploma, degree above the bachelor's level

1. What is your marital status?

1 Married

2 Living common-law

3 Widowed

4 Separated

5 Divorced

6 Single, never married

1. Do you have children?

1 Yes

2 No

[SECTION 2. SHOW THE FOLLOWING TITLE TO RESPONDENTS:] **Financial Advice**

[REPEAT THE FOLLOWING PARAGRPH ON TOP OF EVERY SCREEN IN THIS SECTION]

In this section, we will be presenting you with a series of hypothetical situations. We are interested in the recommendations you would make for each client situation presented.

[RANDOMIZE VARIABLES IN THIS SECTION ACCORDING TO TABLE 1 IN THE APPENDIX. THE SAME VARIABLES ARE ALWAYS RELEVANT FOR TWO SUBSECTIONS (SECTION 2.1 AND SECTION 2.2; SECTION 2.3 AND SECTION 2.4; SECTION 2.5 AND SECTION 2.6; SECTION 2.7 AND SECTION 2.8) THE REALIZATIONS OF THE VARIABLES SHOULD BE DRAWN – ALWAYS WITH EQUAL PROBABILITIES – FOR EACH SUBSECTION SEPARATELY WITHOUT REPLACEMENT. THAT IS, IF FOR EXAMPLE NAME\_S=1 IN SECTION 2.1, THEN NAME\_S CAN ONLY TAKE ON THE REALIZATION 2, 3, OR 4 IN SECTION 2.2.]

[NEXT PAIR OF SUBSECTIONS STARTS]

[NEW SCREEN]

[SECTION 2.1]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

[IF NAME\_S==1, INSERT “James”, IF NAME\_S==2, INSERT “Peter”, IF NAME\_S==3, INSERT “Sally”, IF NAME\_S==4, INSERT “Monica”] is 35 years old. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] is married and has two kids under the age of 10. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] wishes to invest $5,000 of pre-tax money. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] has a current effective marginal tax rate of [IF MTR==1, INSERT “30”, IF MTR==2, INSERT “50”]% and anticipates a marginal tax rate of 40% when [IF NAME\_S==1 OR NAME\_S==2, INSERT “he”, IF NAME\_S==3 OR NAME\_S==4, INSERT “she”] withdraws the amount contributed and the accumulated returns. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] has $5,000 of outstanding debt at a [IF APR==1, INSERT “2.5”, IF APR==2, INSERT “5”, IF APR==3, INSERT “7.5”]% APR.

Suppose that [IF NAME\_S==1 OR NAME\_S==2, INSERT “he”, IF NAME\_S==3 OR NAME\_S==4, INSERT “she”] could contribute the entire amount to either an RRSP or a TFSA; that [IF NAME\_S==1 OR NAME\_S==2, INSERT “he”, IF NAME\_S==3 OR NAME\_S==4, INSERT “she”] owns a Universal Life (UL) insurance policy; and that the withdrawal will not be eligible for any income splitting. [IF SOLICIT\_S==1, INSERT “The client inquires about the option of investing the money in the UL policy.”]

1. From the four options below, which one would you recommend first to [IF NAME\_S==1, INSERT “James”, IF NAME\_S==2, INSERT “Peter”, IF NAME\_S==3, INSERT “Sally”, IF NAME\_S==4, INSERT “Monica”]?

1 Invest the money in an RRSP (e.g., a broad index, such as the TSX)

2 Invest the money in a TFSA (e.g., a broad index, such as the TSX)

3 Invest the money in the UL policy

4 Repay the outstanding debt

[NEW SCREEN]

[SECTION 2.2]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

[IF NAME\_S==1, INSERT “James”, IF NAME\_S==2, INSERT “Peter”, IF NAME\_S==3, INSERT “Sally”, IF NAME\_S==4, INSERT “Monica”] is 35 years old. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] is married and has two kids under the age of 10. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] wishes to invest $5,000 of pre-tax money. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] has a current effective marginal tax rate of [IF MTR==1, INSERT “30”, IF MTR==2, INSERT “50”]% and anticipates a marginal tax rate of 40% when [IF NAME\_S==1 OR NAME\_S==2, INSERT “he”, IF NAME\_S==3 OR NAME\_S==4, INSERT “she”] withdraws the amount contributed and the accumulated returns. [IF NAME\_S==1 OR NAME\_S==2, INSERT “He”, IF NAME\_S==3 OR NAME\_S==4, INSERT “She”] has $5,000 of outstanding debt at a [IF APR==1, INSERT “2.5”, IF APR==2, INSERT “5”, IF APR==3, INSERT “7.5”]% APR.

Suppose that [IF NAME\_S==1 OR NAME\_S==2, INSERT “he”, IF NAME\_S==3 OR NAME\_S==4, INSERT “she”] could contribute the entire amount to either an RRSP or a TFSA; that [IF NAME\_S==1 OR NAME\_S==2, INSERT “he”, IF NAME\_S==3 OR NAME\_S==4, INSERT “she”] owns a Universal Life (UL) insurance policy; and that the withdrawal will not be eligible for any income splitting. [IF SOLICIT\_S==1, INSERT “The client inquires about the option of investing the money in the UL policy.”]

1. From the four options below, which one would you recommend first to [IF NAME\_S==1, INSERT “James”, IF NAME\_S==2, INSERT “Peter”, IF NAME\_S==3, INSERT “Sally”, IF NAME\_S==4, INSERT “Monica”]?

1 Invest the money in an RRSP (e.g., a broad index, such as the TSX)

2 Invest the money in a TFSA (e.g., a broad index, such as the TSX)

3 Invest the money in the UL policy

4 Repay the outstanding debt

[NEXT PAIR OF SUBSECTIONS STARTS]

[NEW SCREEN]

[SECTION 2.3]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

[IF NAME\_L==1, INSERT “John”, IF NAME\_L==2, INSERT “Paul”, IF NAME\_L==3, INSERT “Suzie”, IF NAME\_L==4, INSERT “Mary”] is 70 years old. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] lives [IF BEQUEST\_L==1, INSERT “alone and has no children”, IF BEQUEST\_L==2 AND NAME\_L==1 OR NAME\_L==2, INSERT “with his partner who is 10 years younger”, IF BEQUEST==2 AND NAME\_L==3 OR NAME\_L==4, INSERT “with her partner who is 10 years younger”]. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] is renting a condo and [IF NAME\_L==1 OR NAME\_L==2, INSERT “he”, IF NAME\_L==3 OR NAME\_L==4, INSERT “she”] is in [IF HEALTH\_L==1, INSERT “excellent (above average)”, IF HEALTH\_L==2, INSERT “good (average)”, IF HEALTH\_L==3, INSERT “poor (below average)”] health. [IF NAME\_L==1, INSERT “John”, IF NAME\_L==2, INSERT “Paul”, IF NAME\_L==3, INSERT “Suzie”, IF NAME\_L==4, INSERT “Mary”] has $350,000 (after-tax) in retirement savings. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] has annual after-tax pension income of $40,000 (includes OAS and other income sources). [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] would like to be able to afford spending at least $50,000 per year. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] is asking what [IF NAME\_L==1 OR NAME\_L==2, INSERT “he”, IF NAME\_L==3 OR NAME\_L==4, INSERT “she”] should be doing with [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”]retirement savings. [IF SOLICIT\_L==1 AND (NAME\_L==1 OR NAME\_L==2), INSERT “He inquires about the option of investing in mutual funds.”, IF SOLICIT\_L==1 AND (NAME\_L==3 OR NAME\_L==4), INSERT “She inquires about the option of investing in mutual funds.”] **Please provide your best advice ignoring any tax considerations**.

1. From the four options below, which one would you recommend first to [IF NAME\_L==1, INSERT “John”, IF NAME\_L==2, INSERT “Paul”, IF NAME\_L==3, INSERT “Suzie”, IF NAME\_L==4, INSERT “Mary”]?
2. Invest in a diversified portfolio of stock and bond mutual funds earning an expected annual return of [IF RATE\_L==1, INSERT “4”, IF RATE\_L==2, INSERT “6”, IF RATE\_L==3, INSERT “10”]%[IF COMP==1, INSERT“, where the investment sale contributes towards your compensation”].
3. Purchase a $10,000 per annum life annuity with a 10 year payout guarantee with $[IF NAME\_L==1 OR NAME\_L==2, INSERT “151’975.68”, IF NAME\_L==3 OR NAME\_L==4, INSERT “163,265.31”] of [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings and invest the remainder in a diversified portfolio of stock and bond mutual funds earning an expected annual return of [IF RATE\_L==1, INSERT “4”, IF RATE\_L==2, INSERT “6”, IF RATE\_L==3, INSERT “10”]%[IF COMP==1, INSERT“, where the investment sale contributes towards your compensation”].
4. Invest all of [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings in a Segregated Fund yielding annual income of $[IF PAYOUT==1, INSERT “15,750”, IF PAYOUT==2, INSERT “14,000”].
5. Invest all of [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings in a life annuity with a 10 year payout guarantee yielding $[IF NAME\_L==1 OR NAME\_L==2, INSERT “23’030.00”, IF NAME\_L==3 OR NAME\_L==4, INSERT “21,437.50”] in annual payout.

[NEW SCREEN]

[SECTION 2.4]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

[IF NAME\_L==1, INSERT “John”, IF NAME\_L==2, INSERT “Paul”, IF NAME\_L==3, INSERT “Suzie”, IF NAME\_L==4, INSERT “Mary”] is 70 years old. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] lives [IF BEQUEST\_L==1, INSERT “alone and has no children”, IF BEQUEST\_L==2 AND NAME\_L==1 OR NAME\_L==2, INSERT “with his partner who is 10 years younger”, IF BEQUEST==2 AND NAME\_L==3 OR NAME\_L==4, INSERT “with her partner who is 10 years younger”]. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] is renting a condo and [IF NAME\_L==1 OR NAME\_L==2, INSERT “he”, IF NAME\_L==3 OR NAME\_L==4, INSERT “she”] is in [IF HEALTH\_L==1, INSERT “excellent (above average)”, IF HEALTH\_L==2, INSERT “good (average)”, IF HEALTH\_L==3, INSERT “poor (below average)”] health. [IF NAME\_L==1, INSERT “John”, IF NAME\_L==2, INSERT “Paul”, IF NAME\_L==3, INSERT “Suzie”, IF NAME\_L==4, INSERT “Mary”] has $350,000 (after-tax) in retirement savings. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] has annual after-tax pension income of $40,000 (includes OAS and other income sources). [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] would like to be able to afford spending at least $50,000 per year. [IF NAME\_L==1 OR NAME\_L==2, INSERT “He”, IF NAME\_L==3 OR NAME\_L==4, INSERT “She”] is asking what [IF NAME\_L==1 OR NAME\_L==2, INSERT “he”, IF NAME\_L==3 OR NAME\_L==4, INSERT “she”] should be doing with [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings. [IF SOLICIT\_L==1 AND (NAME\_L==1 OR NAME\_L==2), INSERT “He inquires about the option of investing in mutual funds.”, IF SOLICIT\_L==1 AND (NAME\_L==3 OR NAME\_L==4), INSERT “She inquires about the option of investing in mutual funds.”] **Please provide your best advice ignoring any tax considerations**.

1. From the four options below, which one would you recommend first to [IF NAME\_L==1, INSERT “John”, IF NAME\_L==2, INSERT “Paul”, IF NAME\_L==3, INSERT “Suzie”, IF NAME\_L==4, INSERT “Mary”]?
2. Invest in a diversified portfolio of stock and bond mutual funds earning an expected annual return of [IF RATE\_L==1, INSERT “4”, IF RATE\_L==2, INSERT “6”, IF RATE\_L==3, INSERT “10”]%[IF COMP==1, INSERT“, where the investment sale contributes towards your compensation”].
3. Purchase a $10,000 per annum life annuity with a 10 year payout guarantee with $[IF NAME\_L==1 OR NAME\_L==2, INSERT “151’975.68”, IF NAME\_L==3 OR NAME\_L==4, INSERT “163’265.31”] of [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings and invest the remainder in a diversified portfolio of stock and bond mutual funds earning an expected annual return of [IF RATE\_L==1, INSERT “4”, IF RATE\_L==2, INSERT “6”, IF RATE\_L==3, INSERT “10”]%[IF COMP==1, INSERT“, where the investment sale contributes towards your compensation”].
4. Invest all of [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings in a Segregated Fund yielding annual income of $[IF PAYOUT==1, INSERT “15,750”, IF PAYOUT==2, INSERT “14,000”].
5. Invest all of [IF NAME\_L==1 OR NAME\_L==2, INSERT “his”, IF NAME\_L==3 OR NAME\_L==4, INSERT “her”] retirement savings in a life annuity with a 10 year payout guarantee yielding $[IF NAME\_L==1 OR NAME\_L==2, INSERT “23’030.00”, IF NAME\_L==3 OR NAME\_L==4, INSERT “21’437.50”] in annual payout.

[NEXT PAIR OF SUBSECTIONS STARTS]

[NEW SCREEN]

[SECTION 2.5]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

[IF NAME\_C==1, INSERT “Joe”, IF NAME\_C==2, INSERT “Justin”, IF NAME\_C==3, INSERT “Sophie”, IF NAME\_C==4, INSERT “Isabelle”] is 70 years old. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] lives alone in a house currently worth $250,000. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] has a mortgage of $125,000 at an interest rate of [IF BORROW==1, INSERT “1.5”, IF BORROW ==2, INSERT “2.5”, IF BORROW==3, INSERT “3.5”]% per year. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] has $125,000 in retirement savings (all in a TFSA). [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] has annual after-tax pension income of $30,000 (includes OAS and other income sources). [IF NAME\_C==1, INSERT “Joe”, IF NAME\_C==2, INSERT “Justin”, IF NAME\_C==3, INSERT “Sophie”, IF NAME\_C==4, INSERT “Isabelle”] would like to make sure [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] can afford long-term care when [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] needs it. The cost of one-year in a nursing home facility is close to $50,000 and [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] has been told that, in general, people can expect to live 2 to 3 years in a nursing home or other long-term care facility before they die. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] is in [IF HEALTH\_C==1, INSERT= “excellent (above average)”, IF HEALTH\_C==2, INSERT= “good (average)”, IF HEALTH\_C==3, INSERT= “poor (below average)”] health. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] does not expect to stay in [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME==3 OR NAME==4, INSERT “her”] home should [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] need long-term care. [IF SOLICIT\_C==1 AND (NAME\_C==1 OR NAME\_C==2), INSERT “The client inquires about the option of using his retirement savings to pay off his mortgage.”, IF SOLICIT\_C==1 AND (NAME\_C==3 OR NAME\_C==4), INSERT “The client inquires about the option of using her retirement savings to pay off her mortgage.”]

1. From the three options below, which one would you recommend first to [IF NAME\_C==1, INSERT “Joe”, IF NAME\_C==2, INSERT “Justin”, IF NAME\_C==3, INSERT “Sophie”, IF NAME\_C==4, INSERT “Isabelle”]?

1 Pay off [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME\_C==3 OR NAME\_C==4, INSERT “her”] mortgage with [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME\_C==3 OR NAME\_C==4, INSERT “her”] retirement savings.

2 Invest [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME\_C==3 OR NAME\_C==4, INSERT “her”] retirement savings in stock and bonds mutual funds at an expected after-tax return of [IF RATE\_C==1, INSERT “2”, IF RATE\_C==2, INSERT “3”, IF RATE\_C==3, INSERT “5”]% per year and use this capital to fund long-term care expenses

3 Purchase a long-term care insurance policy for a cost of $[IF NAME\_C==1 OR NAME\_C==2, INSERT “280”, IF NAME\_C==3 OR NAME\_C==4, INSERT “210”] per month. The benefit would be of $2,000 per month should [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] require long-term care.

[NEW SCREEN]

[SECTION 2.6]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

[IF NAME\_C==1, INSERT “Joe”, IF NAME\_C==2, INSERT “Justin”, IF NAME\_C==3, INSERT “Sophie”, IF NAME\_C==4, INSERT “Isabelle”] is 70 years old. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] lives alone in a house currently worth $250,000. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] has a mortgage of $125,000 at an interest rate of [IF BORROW==1, INSERT “1.5”, IF BORROW ==2, INSERT “2.5”, IF BORROW==3, INSERT “3.5”]% per year. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] has $125,000 in retirement savings (all in a TFSA). [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] has annual after-tax pension income of $30,000 (includes OAS and other income sources). [IF NAME\_C==1, INSERT “Joe”, IF NAME\_C==2, INSERT “Justin”, IF NAME\_C==3, INSERT “Sophie”, IF NAME\_C==4, INSERT “Isabelle”] would like to make sure [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] can afford long-term care when [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] needs it. The cost of one-year in a nursing home facility is close to $50,000 and [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] has been told that, in general, people can expect to live 2 to 3 years in a nursing home or other long-term care facility before they die. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] is in [IF HEALTH\_C==1, INSERT= “excellent (above average)”, IF HEALTH\_C==2, INSERT= “good (average)”, IF HEALTH\_C==3, INSERT= “poor (below average)”] health. [IF NAME\_C==1 OR NAME\_C==2, INSERT “He”, IF NAME\_C==3 OR NAME\_C==4, INSERT “She”] does not expect to stay in [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME==3 OR NAME==4, INSERT “her”] home should [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] need long-term care. [IF SOLICIT\_C==1 AND (NAME\_C==1 OR NAME\_C==2), INSERT “The client inquires about the option of using his retirement savings to pay off his mortgage.”, IF SOLICIT\_C==1 AND (NAME\_C==3 OR NAME\_C==4), INSERT “The client inquires about the option of using her retirement savings to pay off her mortgage.”]

1. From the three options below, which one would you recommend first to [IF NAME\_C==1, INSERT “Joe”, IF NAME\_C==2, INSERT “Justin”, IF NAME\_C==3, INSERT “Sophie”, IF NAME\_C==4, INSERT “Isabelle”]?

1 Pay off [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME\_C==3 OR NAME\_C==4, INSERT “her”] mortgage with [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME\_C==3 OR NAME\_C==4, INSERT “her”] retirement savings.

2 Invest [IF NAME\_C==1 OR NAME\_C==2, INSERT “his”, IF NAME\_C==3 OR NAME\_C==4, INSERT “her”] retirement savings in stock and bonds mutual funds at an expected after-tax return of [IF RATE\_C==1, INSERT “2”, IF RATE\_C==2, INSERT “3”, IF RATE\_C==3, INSERT “5”]% per year and use this capital to fund long-term care expenses

3 Purchase a long-term care insurance policy for a cost of $[IF NAME\_C==1 OR NAME\_C==2, INSERT “280”, IF NAME\_C==3 OR NAME\_C==4, INSERT “210”] per month. The benefit would be of $2,000 per month should [IF NAME\_C==1 OR NAME\_C==2, INSERT “he”, IF NAME\_C==3 OR NAME\_C==4, INSERT “she”] require long-term care.

[NEXT PAIR OF SUBSECTIONS STARTS]

[NEW SCREEN]

[SECTION 2.7]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

Your client, [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”] is a 45-year-old [IF NAME\_I==1, OR NAME\_I==2, INSERT “male”, IF NAME\_I==3 OR NAME\_I==4, INSERT “female”] high school teacher with an annual gross income of $50,000. [IF NAME\_I==1 OR NAME\_I==2, INSERT “He”, IF NAME\_I==3 OR NAME\_I==4, INSERT “She”] is married and has two kids under the age of 10. [IF NAME\_I==1 OR NAME\_I==2, INSERT “His wife”, IF NAME\_I==3 OR NAME\_I==4, INSERT “Her husband”] is currently looking for a job in marketing. [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”] currently holds $75,000 in [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] TFSA and this year, there is no room to contribute to [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] RRSP (because [IF NAME\_I==1 OR NAME\_I==2, INSERT “he”, IF NAME\_I==3 OR NAME\_I==4, INSERT “she”] holds a DB pension). The mortgage on [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] house is fully paid off and the line of credit on the house is unused. [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”] has $40,000 in a savings account that [IF NAME\_I==1 OR NAME\_I==2, INSERT “he”, IF NAME\_I==3 OR NAME\_I==4, INSERT “she”] is looking to invest (within [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] TSFA) for a time-horizon of three years. [IF SOLICIT\_I==1 AND (NAME\_I==1 OR NAME\_I==2), INSERT “He inquires about the option of investing in an exchange-traded fund (ETF).”, IF SOLICIT\_I==1 AND (NAME\_I==3 OR NAME\_I==4), INSERT “She inquires about the option of investing in an exchange-traded fund (ETF).”]

1. From the four options below, which one would you recommend first to [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”]?

1 Index-linked 3-year guaranteed investment certificate, based on a broad index, such as the TSX (with a participation rate of: 45%)[PLEASE PLACE A FOOTNOTE HERE THAT REFERS TO THE FOLLOWING TEXT SHOWN AT THE BOTTOM OF THE SAME SCREEN: “The participation rate is defined as the percentage at which the GIC will participate in the equity market’s return.”]

2 Mutual Funds, based on a broad index, such as the TSX (MER: [IF MUTFEES==1, INSERT “1”, IF MUTFEES==2, INSERT “2”, IF MUTFEES ==3, INSERT “3”]%)

3 Segregated Fund, based on a broad index, such as the TSX (MER: [IF SEGFEES==1, INSERT “2”, IF SEGFEES==2, INSERT “3”, IF SEGFEES ==3, INSERT “4”]%)

4 An exchange-traded fund (ETF), based on a broad index, such as the TSX, and held in [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] self-directed discount brokerage account

[NEW SCREEN]

[SECTION 2.8]

*For all client situations, consider that* ***inflation will be negligible in the foreseeable future*** *and assume that* ***marital status will remain unchanged****. Please provide your best advice in each of the client scenarios presented* ***based on the information provided****.* ***Assume that you have the necessary license(s) to sell any products/services.***

Your client, [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”] is a 45-year-old [IF NAME\_I==1, OR NAME\_I==2, INSERT “male”, IF NAME\_I==3 OR NAME\_I==4, INSERT “female”] high school teacher with an annual gross income of $50,000. [IF NAME\_I==1 OR NAME\_I==2, INSERT “He”, IF NAME\_I==3 OR NAME\_I==4, INSERT “She”] is married and has two kids under the age of 10. [IF NAME\_I==1 OR NAME\_I==2, INSERT “His wife”, IF NAME\_I==3 OR NAME\_I==4, INSERT “Her husband”] is currently looking for a job in marketing. [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”] currently holds $75,000 in [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] TFSA and this year, there is no room to contribute to [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] RRSP (because [IF NAME\_I==1 OR NAME\_I==2, INSERT “he”, IF NAME\_I==3 OR NAME\_I==4, INSERT “she”] holds a DB pension). The mortgage on [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] house is fully paid off and the line of credit on the house is unused. [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”] has $40,000 in a savings account that [IF NAME\_I==1 OR NAME\_I==2, INSERT “he”, IF NAME\_I==3 OR NAME\_I==4, INSERT “she”] is looking to invest (within [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] TSFA) for a time-horizon of three years. [IF SOLICIT\_I==1 AND (NAME\_I==1 OR NAME\_I==2), INSERT “He inquires about the option of investing in an exchange-traded fund (ETF).”, IF SOLICIT\_I==1 AND (NAME\_I==3 OR NAME\_I==4), INSERT “She inquires about the option of investing in an exchange-traded fund (ETF).”]

1. From the four options below, which one would you recommend first to [IF NAME\_I==1, INSERT “Mike”, IF NAME\_I==2, INSERT “Greg”, IF NAME\_I==3, INSERT “Linda”, IF NAME\_I==4, INSERT “Kate”]?

1 Index-linked 3-year guaranteed investment certificate, based on a broad index, such as the TSX (with a participation rate of: 45%)[PLEASE PLACE A FOOTNOTE HERE THAT REFERS TO THE FOLLOWING TEXT SHOWN AT THE BOTTOM OF THE SAME SCREEN: “The participation rate is defined as the percentage at which the GIC will participate in the equity market’s return.”]

2 Mutual Funds, based on a broad index, such as the TSX (MER: [IF MUTFEES==1, INSERT “1”, IF MUTFEES==2, INSERT “2”, IF MUTFEES ==3, INSERT “3”]%)

3 Segregated Fund, based on a broad index, such as the TSX (MER: [IF SEGFEES==1, INSERT “2”, IF SEGFEES==2, INSERT “3”, IF SEGFEES ==3, INSERT “4”]%)

4 An exchange-traded fund (ETF), based on a broad index, such as the TSX, and held in [IF NAME\_I==1 OR NAME\_I==2, INSERT “his”, IF NAME\_I==3 OR NAME\_I==4, INSERT “her”] self-directed discount brokerage account

[SECTION 3. SHOW THE FOLLOWING TITLE TO RESPONDENTS:] **Employment**

1. Please indicate which one of the following best describes your place of employment.

1 Accounting Firm

2 Credit Union

3 Financial Planning Firm

4 Insurance Company

5 Bank

6 Educational Institution

7 Investment / Mutual Fund Company

8 Managing General Agency (MGA)

9 Self-employed

10 Currently not working

11 Other

7777777 Don’t know

8888888 Prefer not to say

1. Which certification(s) do you hold?

[MULTI-SELECT FOR RESPONSES 1, 2, 3]

1 QAFP certification

2 CFP certification

3 Pl. Fin.

7777777 Don’t know

8888888 Prefer not to say

1. In addition to QAFP certification, CFP certification or Pl. Fin designation, please select all of the following designations that you hold, if any.

|  |  |  |
| --- | --- | --- |
| Q14a | Chartered Investment Manager (CIM) |  |
| Q14b | Chartered Financial Analyst (CFA) |  |
| Q14c | Chartered Life Underwriter (CLU) |  |
| Q14d | Chartered Professional Accountant (CPA) |  |
| Q14e | Trust and Estate Practitioner (TEP) |  |
| Q14f | Personal Financial Planner (PFP®) |  |
| Q14g | Registered Financial Planner (R.F.P.) |  |
| Q14h | Registered Retirement Consultant (RRC) |  |
| Q14i | Certified Health Insurance Specialist (CHS) |  |
| Q14j | Certified Financial Planner® (Other Country) |  |
| Q14k | Elder Planning Counselor (EPC) |  |
| Q14l | Other |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

1. Please select all of the following products **you are licensed to sell**, if any.

|  |  |  |
| --- | --- | --- |
| Q15a | Universal life insurance |  |
| Q15b | Mutual funds |  |
| Q15c | Segregated funds |  |
| Q15d | Annuities |  |
| Q15e | Long-term care insurance |  |
| Q15f | Index-linked guaranteed investment certificate |  |
| Q15g | Exchange-traded funds (ETF) |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

1. How long have you been working as a financial planner? Please indicate your work experience in number of years.

Numeric (0-80)

7777777 Don’t know

8888888 Prefer not to say

1. Which services do you predominantly provide as a financial planner?

1 Advice on insurance

2 Advice on investments

3 Holistic financial planning (without implementation of advice)

4 Holistic financial planning including implementation of advice (product advice and sales)

7777777 Don’t know

8888888 Prefer not to say

1. How are you primarily compensated for your services as a financial planner? If none of the available options apply, choose “other”.

|  |  |  |
| --- | --- | --- |
| Q18a | Salary only |  |
| Q18b | Salary plus bonus based on achieving sales targets |  |
| Q18c | Primarily commissions |  |
| Q18d | Primarily Assets under Management |  |
| Q18e | Primarily fee for advice |  |
| Q18f | Other |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

1. How often do you consult with or refer clients to other experts, such as a lawyer or an accountant?

1 Frequently

2 Occasionally

3 Rarely

4 Very Rarely

5 Never

7777777 Don’t know

8888888 Prefer not to say

[SECTION 4. SHOW THE FOLLOWING TITLE TO RESPONDENTS:] **Preferences & Characteristics**

1. Please evaluate your patience when it comes to making financial decisions for yourself or your household.

1 Very patient

2 Patient

3 Impatient

4 Very impatient

7777777 Don’t know

8888888 Prefer not to say

1. Which of the following statements comes closest to describing the amount of financial risk that you are willing to take when you save or make investments?

1 I am willing to take substantial financial risks expecting to earn substantial returns

2 I am willing to take above average financial risks expecting to earn above-average returns

3 I am willing to take average financial risks expecting to earn average returns

4 I am willing to take below average financial risks expecting to earn below-average returns

5 I am not willing to take any risk, knowing I will earn a small but certain return

1. Please indicate to what degree you agree with each of the following statements.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | I see myself as… | Disagree strongly | Disagree moderately | Disagree a little | Neither agree nor disagree | Agree a little | Agree moderately | Agree strongly | Don’t know |
| Q22a | Extraverted, enthusiastic |  |  |  |  |  |  |  |  |
| Q22b | Critical, quarrelsome |  |  |  |  |  |  |  |  |
| Q22c | Dependable, self-disciplined |  |  |  |  |  |  |  |  |
| Q22d | Anxious, easily upset |  |  |  |  |  |  |  |  |
| Q22e | Open to new experiences, complex |  |  |  |  |  |  |  |  |
| Q22f | Reserved, quiet |  |  |  |  |  |  |  |  |
| Q22g | Sympathetic, warm |  |  |  |  |  |  |  |  |
| Q22h | Disorganized, careless |  |  |  |  |  |  |  |  |
| Q22i | Calm, emotionally stable |  |  |  |  |  |  |  |  |
| Q22j | Conventional, uncreative |  |  |  |  |  |  |  |  |

[WE NEED A CHECKBOX OF SOME SORT IN EACH COLUMN AND SAVE MUTUALLY EXCLUSIVE RESPONSES PER SUB-QUESTION AS FOLLOWS: 0 Don’t know; 1 Disagree strongly 2 Disagree moderately; 3 Disagree a little; 4 Neither agree nor disagree; 5 Agree a little; 6 Agree moderately; 7 Agree strongly]

1. Please indicate to what degree you agree with each of the following statements.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Strongly  Agree | Agree | Disagree | Strongly Disagree | Don’t know |
| Q23a | Parents should set aside money to leave to their children or heirs once they die, even when it means somewhat sacrificing their own comfort in retirement |  |  |  |  |  |
| Q23b | Children should inherit their parents’ family home |  |  |  |  |  |
| Q23c | A house is an asset that should only be sold in case of financial hardship |  |  |  |  |  |
| Q23d | Being in debt is never a good thing |  |  |  |  |  |
| Q23e | I prefer to live well but for fewer years than to live long and have to sacrifice my quality of life |  |  |  |  |  |
| Q23f | Not investing in shares is a huge mistake on the part of investors |  |  |  |  |  |
| Q23g | Clients often have a good idea of their optimal financial planning strategies before speaking to a financial planner |  |  |  |  |  |

[WE NEED A CHECKBOX OF SOME SORT IN EACH COLUMN AND SAVE MUTUALLY EXCLUSIVE RESPONSES PER SUB-QUESTION AS FOLLOWS: 5 Strongly Agree; 4 Agree; 3 Disagree; 2 Strongly Disagree; 1 Don’t know]

[SECTION 5. SHOW THE FOLLOWING TITLE TO RESPONDENTS:] **Own Financial Behaviour**

1. What is your best estimate of your personal income for 2020, from all sources, before taxes and deductions (but net of business or self-employment expenses)?

Numeric (0-9999998) [ADD A “$” BEHIND THE INPUT SPACE]

9999999 Don’t know or prefer not to say

[ASK IF Q24==9999999; DISPLAY ON SAME SCREEN]

* 1. Is it more than $60,000?

1 Yes

2 No

7777777 Don’t know

8888888 Prefer not to say

[ASK IF Q24a==1; DISPLAY ON SAME SCREEN]

* 1. Is it less than $160,000?

1 Yes

2 No

7777777 Don’t know

8888888 Prefer not to say

[ASK IF Q24b==1; DISPLAY ON SAME SCREEN]

* 1. Is it more than $90,000?

1 Yes

2 No

7777777 Don’t know

8888888 Prefer not to say

[ASK IF Q24a==2; DISPLAY ON SAME SCREEN]

* 1. Is it more than $30,000?

1 Yes

2 No

7777777 Don’t know

8888888 Prefer not to say

1. Please indicate your financial planning areas of specialty (select all that apply, if any).

|  |  |  |
| --- | --- | --- |
| Q25a | Agriculture / farm business planning |  |
| Q25b | Credit counselling and bankruptcy |  |
| Q25c | Cross-border and international planning |  |
| Q25d | Divorce and separation planning |  |
| Q25e | Education planning |  |
| Q25f | Employee / Group benefit plans |  |
| Q25g | Estate planning |  |
| Q25h | Executive compensation and benefits |  |
| Q25i | Insurance planning |  |
| Q25j | Investment planning |  |
| Q25k | Mortgages and debt planning |  |
| Q25l | Planning for those with disabilities |  |
| Q25m | Private banking |  |
| Q25n | Responsible investing |  |
| Q25o | Retirement planning |  |
| Q25p | Small business planning |  |
| Q25q | Succession planning |  |
| Q25r | Tax planning |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

1. Please select all of the following products that you own yourself, if any.

|  |  |  |
| --- | --- | --- |
| Q26a | Universal life insurance |  |
| Q26b | Mutual funds |  |
| Q26c | Segregated funds |  |
| Q26d | Annuity |  |
| Q26e | Long-term care insurance |  |
| Q26f | Index-linked guaranteed investment certificate |  |
| Q26g | Exchange-traded funds (ETF) |  |
| Q26h | Real estate |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

[ASK IF Q26h==1]

1. Please provide your best estimate of the current value of any real estate you own (including your main home, a second home, such as land, rental real estate, or money owed to you on a land contract or mortgage).

Numeric (0-9999998) [ADD A “$” BEHIND THE INPUT SPACE]

9999999 Don’t know or prefer not to say

[ASK IF Q2==1 OR Q2==2]

1. Please select all of the following products that your spouse or partner owns, if any.

|  |  |  |
| --- | --- | --- |
| Q28a | Universal life insurance |  |
| Q28b | Mutual funds |  |
| Q28c | Segregated funds |  |
| Q28d | Annuity |  |
| Q28e | Long-term care insurance |  |
| Q28f | Index-linked guaranteed investment certificate |  |
| Q28g | Exchange-traded funds (ETF) |  |
| Q28h | Real estate |  |

[WE NEED A CHECKBOX OF SOME SORT IN THE THIRD COLUMN AND SAVE RESPONSES AS ONE BINARY VARIABLES PER SUB-QUESTION THAT TAKE THE VALUE 1 WHEN CHECKED AND ZERO WHEN UNCHECKED.]

1. Do you currently participate in a **Defined Benefit (DB) pension plan** offered by your employer? This type of pension plan pays fixed benefits during retirement. The benefits depend on number of years worked and income, but not on the pension plan’s returns.

1 Yes

2 No

7777777 Don’t know

8888888 Prefer not to say

1. Of the following types of assets or plans, please select all that you own/participate in, if any. Also, give us your best estimate of the amount of money in each (account balance) as well as the proportion invested in shares of publicly held corporations (equities), including through mutual funds or investment trusts.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Ownership | Account balance ($) | Proportion invested in shares |
| Q30a | Individual RRSPs (Registered Retirement Savings Plans) |  |  |  |
| Q30b | Individual TFSAs (Tax-Free Savings Accounts) |  |  |  |
| Q30c | Group plans acquired through employer, such as a Group RRSP (offered by the employer; contributions are taken on work income; the employer can contribute to the group RRSP) or a Group TFSA (offered by the employer; contributions are taken on work income; the employer can contribute to the group TFSA) |  |  |  |
| Q30d | Defined contribution (DC) pension plan, including simplified pension plans  (This type of pension plan pays benefits that depend on the pension plan’s returns. You and your employer deposit contributions.) |  |  |  |
| Q30e | Other accounts |  |  |  |

[NEED A CHECKBOX OF SOME SORT IN THE “Ownership” COLUMN AND A DROP DOWN MENU FOR EACH CELL IN THE “Proportion invested in shares” COLUMN, WHERE RESPONDENTS CAN SELECT zero OR a quarter OR half OR almost all. ANSWERS IN THE “Account balance” COLUMN ARE: Numeric (0 – 2,000,000). RESPONDENTS CAN ONLY STATE AN ACCOUNT BALANCE AND A FRACTION IF THEY HAVE SELECT THE ASSET OWNERSHIP.

CODING SUGGESTION: SAVE RESPONSES IN TWO VARIABLES PER SUB-QUESTION. VARIABLES Q27a1-Q27e1 TAKE THEIR VALUES FROM COLUMN 1 AND COLUMN 3 AS FOLLOWS. IF OWNERSHIP IS UNSELECTED, THE VALUE IS 1 AND NO FRACTION CAN BE SPECIFIED. IF OWNERSHIP IS SELECTED, THE VALUE OF THE VARIABLE IS EITHER 2, 3, 4, OR 5, DEPENDING ON THE SELECTION IN COLUMN 3: 1 OWNERSHIP UNCHECKED, 2 Zero, 3 A quarter, 4 Half, 5 Almost all. THE SECOND VARIABLE Q27a2- Q27e2 TAKES ITS VALUE FROM COLUMN 2 (NUMERIC BETWEEN 0 AND 2,000,000).

ALTERNATIVELY, IF THE PROGRAMMING OF Q27a1-Q27e1 IS TOO COMPLICATED, WE COULD CREATE 3 VARIABLES PER SUB-QUESTION, ONE FOR EACH COLUMN. THEN, THE FIRST ONE FOR THE OWNERSHIP SELECTION IN COLUMN 1 IS BINARY, THE ACCOUNT BALANCE VALUE IN COLUMN 2 IS NUMERIC (BETWEEN 0 AND 2,000,000) AND THE FRACTION IN COLUMN 3 IS CATEGORICAL (2, 3, 4, or 5).]

9999999 Don’t know or prefer not to say

1. Please provide your best estimate of any outstanding debt that you have.

Numeric (0-9999998) [ADD A “$” BEHIND THE INPUT SPACE]

9999999 Don’t know or prefer not to say

[ASK IF Q31==9999999; DISPLAY ON SAME SCREEN]

Is it more than [NUMERICAL ANSWER TO Q27, MINIMUM $100,000; IF Q27==9999999, SET TO $500,000; IF SKIPPED Q27, SET TO $100,000]?

1 Yes

2 No

9999999 Don’t know or prefer not to say

[ASK IF Q31a==2; DISPLAY ON SAME SCREEN]

Is it less than [0.5\*AMOUNT USED IN Q31a]?

1 Yes

2 No

9999999 Don’t know or prefer not to say

1. What do you expect the return of the Canadian stock market to be over the next 12 months? (Think of a broad index, such as the TSX.)

Percent (-1000.00-1000.00) [BOX WITH % SIGN NEXT TO IT; ALLOW AT MOST TWO DECIMALS]

7777777 Don’t know

1. How confident are you about your response to the previous question?

1 Extremely confident

2 Very confident

3 Somewhat confident

4 Not very confident

5 Not at all confident

7777777 Don’t know

8888888 Prefer not to say

1. In this question, we present you with ten possible outcomes below for stock market returns over the next 12 months, and we ask you to indicate the chances that each scenario will occur.

Please type in the number to indicate the percentage probability that you attach to each outcome. The probabilities of the ten possible outcomes have to sum up to 100%. (Please answer only with values between 0 and 100 with at most two decimals.)

The Canadian stock market return (think of a broad index, such as the TSX) over the next year will be…

|  |  |
| --- | --- |
| more than 40% | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between 30% and 40% | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between 20% and 30% | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between 10% and 20% | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between 0% and 10% | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between -10% and 0 % | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between -20% and -10 % | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between -30% and -20 % | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| between -40% and -30 % | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| less than -40% | Percent [BOX WITH % SIGN NEXT TO IT] (RANGE: 0% TO 100%, ALLOW AT MOST TWO DECIMALS) |
| Total | [“CELL A” SEE INSTRUCTIONS BELOW] |

[CELL A SHOULD DISPLAY THE AUTOMATICALLY CALCULATED SUM OF THE CELLS ABOVE. IF THIS SUM IN CELL A IS SMALLER THAN 100% WHEN THE PARTICIPANT CONTINUES TO THE NEXT SECTION, THERE SHOULD BE AN ERROR MESSAGE SAYING “YOU HAVE NOT ALLOCATED 100%. “ IF THE SUM IS GREATER THAN 100% WHEN THE PARTICIPANT CONTINUES TO THE NEXT SECTION, THERE SHOULD BE AN ERROR MESSAGE SAYING “YOU HAVE ALLOCATED MORE THAN 100%.“.]

1. Please indicate how you would assess your own financial advice compared to other financial planners.

1 It is better than average

2 It is about the same

3 It is worse than the average

7777777 Don’t know

8888888 Prefer not to say

1. When considering your own investments in the next three months, do you have confidence in beating the market as a whole?

1 Yes, very much

2 Yes, I have some confidence

3 No, I have no confidence at all

7777777 Don’t know

8888888 Prefer not to say

[SECTION 6. SHOW THE FOLLOWING TITLE TO RESPONDENTS:] **Prizes**

We thank you for your participation in this survey.

Congratulations: you are now eligible for the random draw of 20 Amazon e-gift cards, ranging from $50 to $500 in value. Odds of winning depend on the total number of survey respondents who take part in the draw; please allow 4 to 6 weeks before receiving your e-gift card should you win.

1. Please provide your email address below for the purpose of transferring your Amazon e-gift card **in the event you are selected by the computer once the survey is closed**. Your email address will only be used for this purpose and will not be kept on file nor shared with the research team.

String [THE INPUT MUST CONTAIN A “@” AND A “.”. OTHERWISE, THERE SHOULD BE AN ERROR MESSAGE SAYING “Please provide a valid email address.“]

1 I do not want to provide my email address and I do not want to be eligible to receive an Amazon e-gift card.

[ASK IF Q37 IS NOT 1]

1. Please repeat your email address below for the purpose of transferring the Amazon e-gift card.

String [THE INPUT MUST EQUAL THE INPUT FOR Q37. OTHERWISE, THERE SHOULD BE AN ERROR MESSAGE SAYING “The email address must match the email address provided above.“]

[NEXT SCREEN]

Independently from, and in addition to, the random draw previously mentioned, FP Canada is offering 0.5 continuing education credit to all survey participants on a voluntary basis. Your decision on whether to claim this credit will have no impact on any current or future relationships between you and FP Canada.

1. Please indicate whether you wish to obtain 0.5 continuing education credit. If you claim the credit, FP Canada will be informed of your participation in this survey in order to record your credit, but **neither FP Canada nor the research team at HEC Montréal will ever be able to identify your individual survey responses. These will remain completely anonymous.**

1 I wish to obtain 0.5 continuing education credit, and I understand that FP Canada will be informed of my participation in this survey.

2 I **do not** wish to obtain 0.5 continuing education credit.

[APPENDIX: THE FOLLOWING TABLES ARE INTENDED FOR PROGRAMMERS ONLY AND SHOULD NOT BE SHOWN TO THE PARTICIPANTS]

Table 1 Variables

|  |  |  |  |
| --- | --- | --- | --- |
| VARIABLES | POSSIBLE OUTCOMES | Probabilities OF OUTCOMES | VALUES OF OUTCOMES |
|  |  |  |  |
| NAME\_S | 1, 2, 3, 4 |  | James, Peter, Sally, Monica |
|  |  |  |  |
| APR | 1, 2, 3 |  | 2.5%, 5%, 7.5% |
|  |  |  |  |
| MTR | 1, 2 |  | 30%, 50% |
|  |  |  |  |
| SolICIT\_S | 0, 1 |  | 0: No prompt; 1: “The client inquires about the option of investing the money in the UL policy.” |
|  |  |  |  |
| NAME\_L | 1, 2, 3, 4 |  | John, Paul, Suzie, Mary |
|  |  |  |  |
| BEQUEST\_L | 1, 2 |  | alone and has no children, with his/her partner who is 10 years younger |
|  |  |  |  |
| RATE\_L | 1, 2, 3 |  | 4%, 6%, 10% |
|  |  |  |  |
| HEALTH\_L | 1, 2, 3 |  | excellent (above average), good (average), poor (below average) |
|  |  |  |  |
| SolICIT\_L | 0, 1 |  | 0: No prompt; 1: “The client inquires about the option of investing in mutual funds.” |
|  |  |  |  |
| PAYOUT | 1, 2 |  | 1: 15,750 2: 14,000 |
|  |  |  |  |
| COMP | 0, 1 |  | 0: No prompt; 1: “where the investment sale contributes towards your compensation.” |
|  |  |  |  |
| NAME\_C | 1, 2, 3, 4 |  | Joe, Justin, Sophie, Isabelle |
|  |  |  |  |
| BORROW | 1, 2, 3 |  | 1.5%, 2.5%, 3.5% |
|  |  |  |  |
| HEALTH\_C | 1, 2, 3 |  | excellent (above average), good (average), poor (below average) |
|  |  |  |  |
| RATE\_C | 1, 2, 3 |  | 2%, 3%, 5% |
|  |  |  |  |
| SolICIT\_C | 0, 1 |  | 0: No prompt; 1: “The client inquires about the option of clearing mortgage with his retirement savings.” |
|  |  |  |  |
| NAME\_I | 1, 2, 3, 4 |  | Mike, Greg, Linda, Kate |
|  |  |  |  |
| MUTFEES | 1, 2, 3 |  | 1%, 2%, 3% |
|  |  |  |  |
| SEGFEES | 1, 2, 3 |  | 2%, 3%, 4% |
|  |  |  |  |
| SolICIT\_I | 0, 1 |  | 0: No prompt; 1: “The client inquires about the option of investing in an exchange-traded fund (ETF).” |
|  |  |  |  |
|  |  |  |  |