

Take stock of your share ownership benefits



If you work for a publicly traded company, you might have access to a share ownership plan or stock compensation, as part of your benefits.

- **Share purchase programs or stock benefits** are company-run programs where employees can purchase company shares via payroll deduction to encourage personal investment in the growth and future success of the company.
- **Stock incentives** are a form of compensation offered to a select group of employees to attract and retain talent where the employee receives rights to a company stock instead of cash.



Take advantage of your share ownership plan

Owning company stock can be a win-win for you and the company you work for, but have you ever talked with your advisor about these potential risks and opportunities:

- Estate and tax implications
- The optimal amount of your employer's securities to hold
- The best type of account to use
- If the securities you hold fit with your overall financial plan



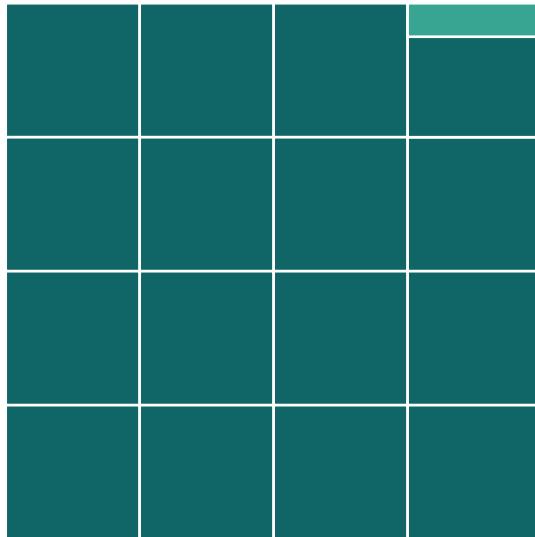
Understand the rules

Each share ownership plan has different rules, but many plans will allow you to move the funds. Depending on your plan type, you may have the option to transfer your assets into a different account or investment vehicle before you leave the company.

Assess your concentration risk

If you have a share ownership plan with a concentrated position, you're invested in a single stock. Having all your eggs in one basket can be risky. You may have a significant portion of your net worth invested with your employer. What would happen if the company's stock experienced volatility, particularly just before you planned to leave the company or retire?

■ Stock ■ 25% drop



- When you invest in only one individual stock, a 25% decline equals a 25% loss in the value of your total invested assets.
- When you diversify your portfolio, the same 25% decline in the individual company stock may have only a minor impact on your overall investments.

Depending on the rules of your plan, you can take some steps now to help later.

Your advisor's support team includes a IIROC licensed Canada Life Securities Ltd. securities specialist. Together, they can help you:

- Understand the rules of your share ownership and/or stock compensation plan (Including vesting, restrictions, blackout periods, etc.)
- Assess your concentration risk and look for ways to diversify
- Ensure your assets are accounted for as part of your overall financial plan
- Look at your plans for retirement or departure and consider, for example, when to exercise options or sell shares
- Look at any tax planning implications

Don't wait until you're about to retire or leave the company — consider your shares now, as you build a strong portfolio. Your securities specialist and advisor can help you evaluate your common share ownership to incorporate with your investment and financial planning goals.

To get started, ask your advisor to introduce you to the securities specialist on their team.