THE MERRICK SPITTERS ASSET SECURITY FRAMEWORK™

Owning Assets in Order of Asset Security™

A practical framework for protecting what you own, reducing avoidable risk and coordinating the people who support your family.

FIVE PILLARS. ONE FAMILY PLAN.

ADRIAN C. SPITTERS, CFP®, FCSI®, CEA

President and Private Wealth Advisor | PFC Wealth Solutions®

Comprehensive Family Office Solution

WEALTH STRATEGY

FIVE PILLARS. ONE FAMILY PLAN.

CONTROL • ACCESS

INDEPENDENCE • CONTINUITY

THE STARTING POINT

Financial security is more than an account balance.

Owning Assets in Order of Asset Security™ is a five-pillar framework designed to reduce vulnerability, preserve opportunity and keep your wealth working as one coordinated plan.

It becomes especially useful when your wealth is spread across several forms of ownership or when several professionals are involved. In those situations, the risk is not always the individual asset. It can be the lack of coordination between assets, advisors and decisions.

Before considering any particular strategy, the framework asks whether every asset has a clear job and whether the pieces of your financial life are working together.

The Merrick Spitters Asset Security Framework™ provides the broader ownership and market perspective behind this guide.

THE QUESTION

What does each asset do for your family?

Financial security is about more than a market value. It is about ownership, access and how the parts work together.

THREE DAYS IN OCTOBER 1987

Friday, October 16

Dow fell 108 points

Saturday, October 17

Canadian Securities Course exam

Monday, October 19

Dow fell 508 points, or 22.6%

A PERSONAL LESSON

Black Monday made the lesson personal.

I became licensed in 1987. On Friday, October 16, the Dow fell 108 points. On Saturday, I wrote my Canadian Securities Course exam. On Monday, October 19, Black Monday, the Dow fell another 508 points, or 22.6 percent.

That first weekend taught me that market value and financial security are not the same. Nearly four decades later, that lesson still shapes how I help families prepare. It keeps the focus on ownership, access, diversification and preparation, not simply on what an asset is worth on one particular day.

I am the son of a Dutch farmer and co-author of It Starts With Gold™. Those roots, together with decades of experience through major market corrections, helped shape this framework.

A MARKET LESSON

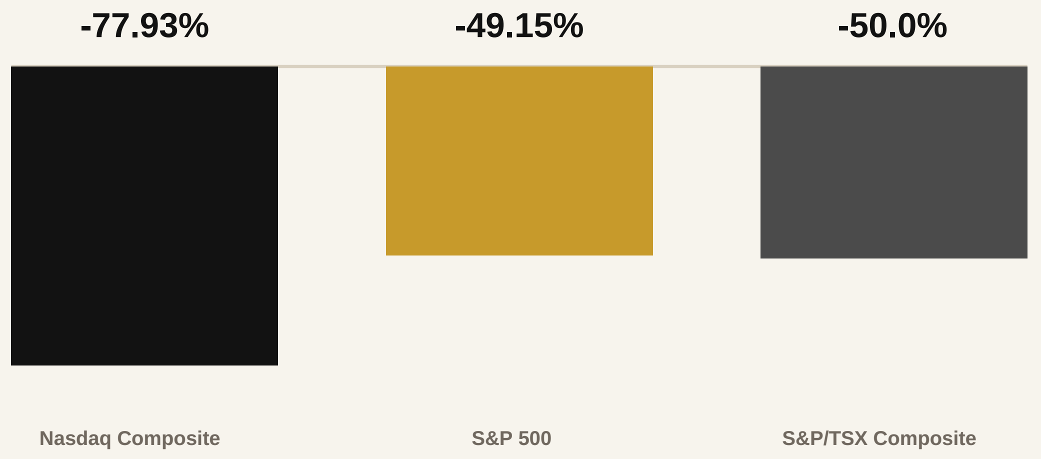
Technology concentration ended in severe losses.

Peak-to-trough declines following the 2000 technology bubble show the risk created by a market driven by a small group of highly valued companies.

At the October 9, 2002 closing low, the Nasdaq Composite was down 77.93 percent from its March 2000 peak. The S&P 500 was down 49.15 percent from its March 2000 peak, and the S&P/TSX Composite was down 50.0 percent from its September 2000 peak.

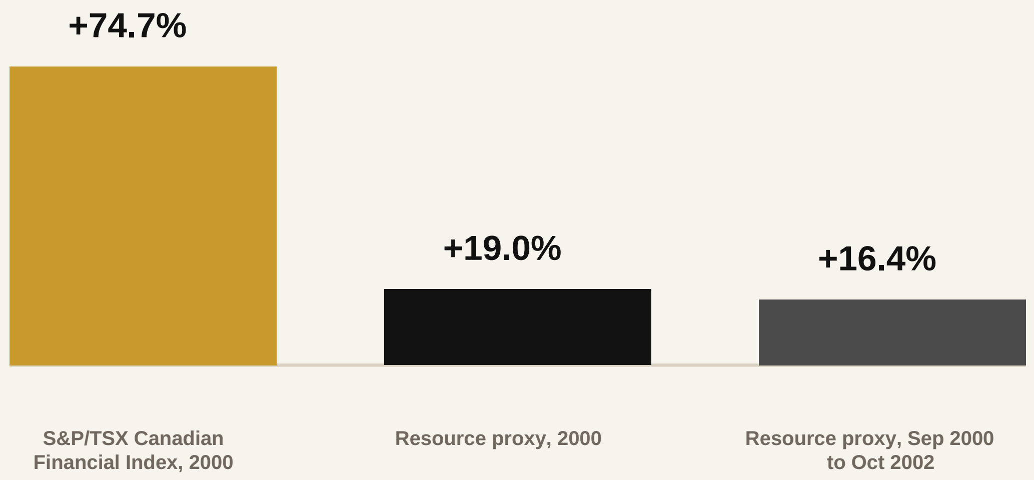
When expectations change, a market driven by a small group of highly valued companies can decline very quickly.

APPROXIMATE PEAK-TO-TROUGH DECLINES



Source: Nasdaq, S&P Dow Jones Indices and S&P/TSX historical closing levels. Dates and methodology: see Sources.

MARKET AND SECTOR CONTRAST



Source: Statistics Canada Table 10-10-0125-01. Resource proxy is the simple average of Energy and Materials indexes.

DIFFERENT ASSETS CAN RESPOND DIFFERENTLY

Canadian financial and resource sectors took a different path.

Long before the technology bubble broke in 2000, I advised my clients to sell all their technology and dot-com stocks of the day and reposition toward Canadian financial and resource sectors. My concern was that technology valuations had become excessive and that investors were becoming too dependent on one part of the market.

That experience shaped the way I advise families today. My role is not to select every individual investment. My role is to recognize risks, establish priorities and bring the appropriate specialists into the conversation before circumstances force the decision.

The S&P/TSX Canadian Financial Index increased 74.7 percent during calendar 2000. A transparent resource proxy, calculated as the simple average of the Canadian Energy and Materials indexes, increased 19.0 percent during calendar 2000 and 16.4 percent over the broader September 2000 to October 2002 correction.

These index and proxy results show the contrast between severe technology losses and the performance of Canadian financial and resource sectors during the same market cycle. Concentration creates vulnerability. Diversification and preparation create more than one source of return.

A SECOND MARKET LESSON

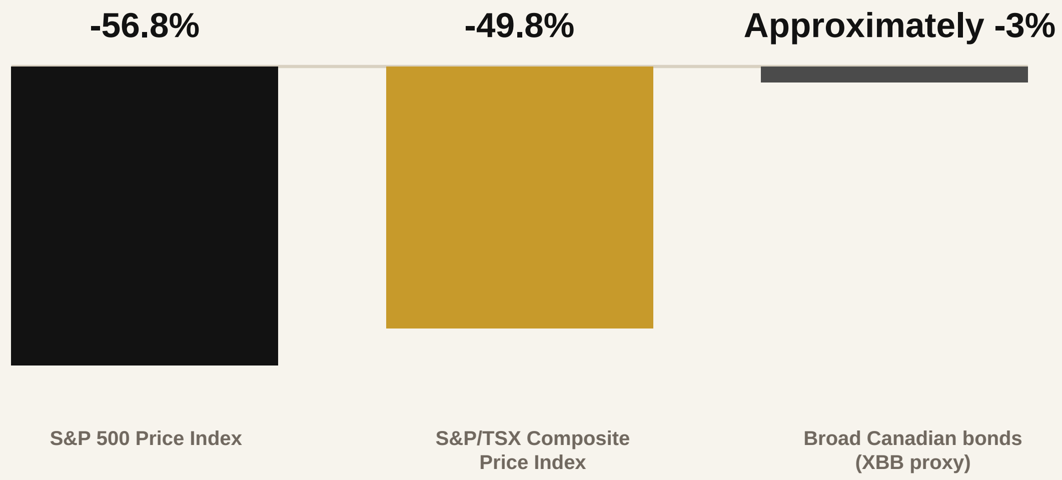
The Global Financial Crisis reinforced the value of acting early.

By 2007, I believed equity markets were overvalued and that real estate and credit markets had become dangerously extended. I recommended reducing equity exposure and increasing bond exposure.

From its October 2007 peak to its March 2009 low, the S&P 500 fell approximately 56.8 percent. From its June 2008 peak to its March 2009 low, the S&P/TSX Composite fell approximately 49.8 percent. Broad Canadian investment-grade bonds did not experience a comparable collapse. Using XBB as a transparent proxy, its temporary total-return drawdown was approximately 3 percent and it had recovered by December 2008.

This contrast reinforces why risk is best addressed before it becomes obvious to the wider market.

APPROXIMATE MAXIMUM DRAWDOWN



Source: S&P Dow Jones Indices, S&P/TSX historical data and iShares Core Canadian Universe Bond Index ETF (XBB).

THE PRACTICAL LESSON

Preparation focuses on resilience, not market timing.

Remain invested while, where appropriate, reducing concentration and repositioning toward reasonably valued sectors, other asset classes and different return drivers.

THE PRACTICAL QUESTION

Is your financial security too dependent on one expensive sector, institution or form of ownership?

THE CURRENT QUESTION

History supports preparation, not market timing.

MARKET OBSERVATION REVIEWED JULY 2026

The lesson is not that history will repeat in exactly the same way. It is that concentration and valuation matter. Today, market-cap-weighted indexes depend heavily on a small group of AI-related technology companies. In my view, parts of this sector are significantly overvalued.

If these market leaders decline, their size could pull major indexes down more sharply than other areas of the market. Weakness may not remain isolated to technology, but every sector and asset class may not fall to the same degree.

The technology bust and the Global Financial Crisis show why selling everything is not necessarily the answer. The practical question is whether your financial security is overly dependent on one expensive sector, one institution or one form of ownership.

FOUR QUESTIONS

Four questions bring clarity to every asset.

People today are not only asking what an asset may earn. They are also asking who controls it, how it is held, whether they can access it when needed and how dependent it is on any one institution. These are reasonable planning questions.

Control asks who has the final say. Access asks how easily you can use an asset. Independence asks how directly you own it and which services support it. Continuity asks how it can support your family through life changes.

We ask these questions before we discuss return. Long-term wealth can grow when each asset has a clear role and your holdings remain diversified through changing markets.

01 CONTROL

Who has the final say over the asset?

02 ACCESS

How easily can you reach it when you need it?

03 INDEPENDENCE

How directly do you own it, and which services support it?

04 CONTINUITY

How will it support your family through life changes?

THE FIVE PILLARS

The Five Pillars of Asset Security™

Each pillar has one job. This is an organizing order, not a mandatory implementation sequence. Pillar One is physical gold and silver. Pillar Two is alternative investments and productive private assets. Pillar Three is discretionary private portfolio management. Pillar Four is tax-advantaged strategies for repositioning assets. Pillar Five is comprehensive wealth and continuity planning.

Together, the pillars spread risk across different types of ownership, income, management, tax planning and family planning. They can help de-risk wealth while keeping you invested for long-term growth.

You do not need to replace the professionals you already trust or implement all five pillars at once. We begin with the area that deserves attention first and connect other pillars over time.

01 **Physical gold and silver**
Directly owned reserve

02 **Alternative investments and productive private assets**
Private productive assets

03 **Discretionary private portfolio management**
Liquid managed markets

04 **Tax-advantaged strategies for repositioning assets**
Planning before repositioning

05 **Comprehensive wealth and continuity planning**
Insurance, succession and cross-border planning

A COORDINATED REVIEW

What a coordinated review may reveal.

This is not a criticism of the professionals you already work with or the decisions that brought you here. Many successful families accumulate assets over time through a business, property, investments, insurance and several professional relationships.

The question is whether those pieces now work together as one plan. A coordinated review identifies what should remain unchanged, where one area may deserve attention and whether a specialized Referral Partner should review it.

The first outcome is clarity, not an obligation to make changes.

A COORDINATED CONVERSATION CAN CLARIFY

What should remain exactly as it is

Which risk deserves attention first

Which assets are performing different jobs

Whether a Referral Partner should be involved

How your existing professionals can stay connected

DIRECT OWNERSHIP

Physical gold and silver create direct ownership.

Pillar One gives you a reserve you can own directly. Physical gold and silver have no corporate issuer. You can choose how to buy, store, insure, verify and reach the metals.

Gold and silver do not behave exactly the same way. Gold is generally used as the primary monetary reserve. Silver also has monetary characteristics and substantial industrial demand, but its smaller market and changing industrial demand can make its price move more sharply than gold.

The appropriate balance depends on your goals, storage capacity, liquidity needs and tolerance for volatility. The precious-metals Referral Partner reviews the available ownership, storage, liquidity and product choices and is responsible for recommendations in that area. I make the introduction and connect their work to your broader plan.

DIRECT OWNERSHIP

An asset you can own directly.

Storage, insurance, proof, access and liquidity all matter.

PRODUCTIVE PRIVATE ASSETS

Why alternatives belong in the portfolio.

Pillar Two puts part of your money into private assets that may complement public markets with additional income and return drivers. These holdings may earn rent, interest, royalties or business income.

Private real estate can include multifamily, self-storage, care homes, warehouses and development. Private credit earns interest from loans outside public markets. Private businesses provide ownership in private companies. Contractual income includes royalties and other contracted cash flow.

Selection requires disciplined review of leverage, cash-flow coverage, ownership structure, valuation, liquidity, redemption terms, fees, manager experience and alignment. The goal is useful return drivers, not complexity for its own sake. The appropriate Referral Partner conducts the required analysis and suitability review for any specific opportunity.

FOUR PRIVATE-ASSET CATEGORIES

Private real estate
Rent and real assets

Private credit
Interest from private loans

Private businesses
Ownership in private companies

Contractual income
Royalties and contracts

A MANAGED PUBLIC-MARKET CORE

Discretionary private portfolio management.

Pillar Three gives your public investments one clear home. A discretionary portfolio-management Referral Partner makes daily investment choices, so you do not need to approve each trade. A qualified custodian is a separate company that holds and reports your assets.

That split adds oversight and means one company does not control every part of the account. The custodian handles safe storage, trade settlement and statements. The Referral Partner chooses investments, spreads risk, plans cash and reports results.

The managed portfolio serves as the liquid, professionally managed market component of the plan. Precious metals and alternatives provide different forms of ownership and additional sources of return. Together, these components can improve resilience without making the plan dependent on public markets alone.

SEPARATE ROLES, ONE ACCOUNT

YOU

Goals and priorities

CUSTODIAN

Holds assets and reports

PORTFOLIO MANAGER

Manages investments

TAX PLANNING

Tax-advantaged strategies for repositioning assets.

Pillar Four begins with planning before a major asset sale or transfer. Selling a business, farm, portfolio or real estate can create a tax bill. A tax-strategy Referral Partner can review lawful options that may help manage or reduce that tax.

When appropriate, deductions may reduce the tax friction created by a sale or repositioning. The resulting tax savings may preserve capital for suitable reinvestment, liquidity reserves, debt reduction or other family priorities.

The Referral Partner is responsible for explaining and recommending any specific strategy within their role. Your accountant and lawyer remain responsible for tax and legal advice. With your permission, I coordinate the specialist’s work with your accountant, lawyer and the rest of your plan.

PLANNING BEFORE AN ASSET SALE

ASSET SALE

A potential tax obligation

SPECIALIST REVIEW

Tax, liquidity and risk considered together

NEXT STAGE

Capital may be available for family priorities

PILLAR FIVE

Your family remains at the centre.

Estate, insurance, business or farm continuity, succession and cross-border planning must work together over time.

FAMILY CONTINUITY

Comprehensive wealth and continuity planning.

Pillar Five keeps you and your family at the centre. It brings financial planning, insurance, estate planning, tax planning, business or farm continuity and cross-border planning together.

Insurance may provide capital when a family or business needs it most, including at death, disability, succession or another major transition. When coverage is appropriate and sustainably funded, it can help fund tax obligations, support ownership transfers, equalize an estate and reduce the chance that important family or business assets must be sold at the wrong time.

I coordinate the relationship across all five pillars so each Referral Partner's work stays connected to your goals. The wealth-planning and insurance Referral Partner conducts the appropriate needs analysis and is responsible for insurance or specialized planning recommendations.

FROM SEPARATE ASSETS TO ONE PLAN

Coordination turns separate assets into one family plan.

This is where the framework becomes practical. A coordinated review may reveal that too much of your financial security depends on one market, one institution, one business, one property or one form of ownership.

It may also identify unclear access, an approaching tax obligation, insufficient estate liquidity or professionals addressing connected issues separately. The purpose is not to recommend immediate change. It is to establish what should remain, which risks deserve attention first, which pillar may help and which Referral Partner should be involved.

I identify the planning need, advise on strategic direction, obtain your permission to make the introduction and coordinate the relationship. The appropriate Referral Partner conducts the specialized review and makes recommendations within their area. The first outcome is clarity.

WHAT A REVIEW MAY REVEAL AND CLARIFY

One market, institution or property dominates	What should remain unchanged
Assets have unclear ownership, access or purpose	Which risk deserves attention first
A large business, property or portfolio concentration	Which pillar may improve resilience
Tax, liquidity, estate or succession issues	Which Referral Partner should review each area

WHO MAKES THE RECOMMENDATION?

I advise on strategic direction. Referral Partners make specialized recommendations within their area.

BEGIN WHERE YOUR NEED IS GREATEST

Your starting pillar depends on where you are today.

The framework stays the same, but your starting point is personal. If you are building wealth, you may begin with income and growth. If you are protecting wealth built over many years, direct ownership, custody, tax planning or estate planning may come first.

A business or farm owner may begin with a transfer or sale. A retired family may focus on cash flow, access and estate goals. We begin with your strongest need and add the other pillars over time.

The framework does not force a pre-set solution on your personal situation. It provides a way to identify where you would naturally want to begin.

YOUR STARTING POINT IS PERSONAL

Building wealth
Income and growth

Protecting wealth
Control, access and diversification

Business or farm owner
Transfer, sale and tax planning

Retired family
Cash flow, access and estate goals

HOW WE CHOOSE A STARTING POINT

We consider what you own today, near-term cash needs, income, tax, time horizon, and your business, farm, family and estate goals.

ADVISOR, FACILITATOR AND SPECIALISTS

I coordinate the Referral Partners around your family plan.

You and your family remain at the centre. Your existing accountant, lawyer, banker, realtor and mortgage broker remain involved. Each Referral Partner leads one pillar. They conduct their own fact-finding and analysis, explain available options, complete any required suitability review and make recommendations within their own area and firm requirements.

I am your advisor and facilitator. Based on my experience, I identify risks, establish priorities and recommend strategic direction. Where specialized input or implementation is needed, I obtain your permission to make the introduction and connect each Referral Partner's work to your goals and existing professionals.

My responsibility is to coordinate the five pillars so separate recommendations continue to work together as one complete family plan.

WHO DOES WHAT

YOU AND YOUR FAMILY
Goals and decisions

ADVISOR AND FACILITATOR
Identifies risk, sets priorities and coordinates the plan

REFERRAL PARTNERS
Review and recommend in their area

EXISTING PROFESSIONALS
Remain part of the plan

THE FIRST CONVERSATION

01

MAP YOUR POSITION

What you own, how it is held and accessed.

02

IDENTIFY THE PRIORITY

Where control or coordination may help.

03

DECIDE WHAT IS NEXT

Which Referral Partner should review it.

A FIRST CONVERSATION

Your next step is an Asset Security Conversation™

The first conversation is not a commitment to change your investments, your professionals or your plan. It is an opportunity to identify the one area of your financial life that may deserve attention first.

We may begin by asking what should remain exactly as it is, which risk needs clarification or whether one part of your financial life has become too dependent on a single market, institution or form of ownership.

If specialized advice is needed, I will explain which Referral Partner may be appropriate and, with your permission, make the introduction. The first outcome is clarity, not pressure to act.

A CLEAR NEXT STEP

Begin with clarity.

This guide is designed to help you ask better questions about ownership, concentration, access and continuity. It is not a request to change everything you already have in place.

An Asset Security Conversation™ begins with your highest-priority concern. Together, we identify what should remain, what may deserve further attention and whether a focused introduction to a Referral Partner would be useful.

The next step is simply a conversation. Use the booking link on this page to schedule a 45-minute Asset Security Conversation™, or email aspitters@pfcwealthsolutions.com to arrange a convenient time.

BOOK YOUR 45-MINUTE ASSET SECURITY CONVERSATION™

ASSET SECURITY CONVERSATION™

What would you identify as your first priority?

We will identify what should remain, what needs attention and whether a Referral Partner should be involved.

IMPORTANT CONTEXT

Read the risks, responsibilities and disclosures before you act.

A personal review is needed before any recommendation is made.

IMPORTANT PLANNING AND RISK CONTEXT

Important context before you act.

This guide provides general education and strategic context. It is not an offer to buy or sell a security or enter into an insurance contract. Any personal recommendation requires a review of your circumstances. Index and benchmark-proxy results shown are not verified average client returns, and actual outcomes would have varied based on individual holdings, timing, fees and taxes.

Private investments are not automatically safe. They may be hard to sell and can lose money. Income is not guaranteed. Fees, timing, value and risk are set out in each offering document. Securities and products require suitability review, dealer approval and applicable registration. Diversification and de-risking do not remove risk or guarantee a return.

Tax savings are not guaranteed and must be considered with investment risk, liquidity, timing, tax treatment and personal circumstances. Tax results depend on your situation and current law. Gold and silver prices change. Direct ownership requires storage, insurance, proof and access. Account and custody agreements govern how assets are held.

BEFORE SERVICES BEGIN

Each professional is responsible for advice within their own licence and field. Insurance, estate, legal and cross-border planning depend on your needs and professional advice. Before services begin, you receive required information about Referral Partners, roles, fees and conflicts.

PRESENTER, LICENSING AND SUITABILITY

Your advisor, your specialists and your review.

I am Adrian C. Spitters, CFP®, FCSI®, CEA, President and Private Wealth Advisor of Performance Financial Consultants Ltd., operating as PFC Wealth Solutions®. I am a dealing representative of Axcess Capital Advisors Inc., a registered exempt market dealer. I am licensed for life and accident and sickness insurance, and I conduct my insurance business through MAX Financial Ltd. CFP® certification is granted by FP Canada.

Repositioning may reduce exposure to a market correction, but it cannot prevent market losses or guarantee protection. I am your advisor and facilitator for the coordinated planning process. I use my experience to identify risks, establish priorities and recommend strategic direction.

Where specialized product, portfolio, tax, insurance, legal or other advice is required, the appropriate Referral Partner conducts their own review and is responsible for recommendations within their area, subject to their registration, licensing, professional responsibilities and firm requirements.

CLIENT-FIRST REQUIREMENT

Before any recommendation is made, the professional responsible for that recommendation must review your complete circumstances. That review includes your objectives, risk profile, time horizon, liquidity needs, costs, tax consequences, existing holdings and reasonable alternatives.

Any recommendation must be suitable for you and put your interests first.

WHO DOES WHAT

YOU AND YOUR FAMILY
Goals and decisions

ADVISOR AND FACILITATOR
Identifies risk, sets priorities and coordinates the plan

REFERRAL PARTNERS
Review and recommend in their area

EXISTING PROFESSIONALS
Remain part of the plan

SOURCE THEMES

Market history and index data

Canadian sector and bond data

Securities, tax and insurance context

Framework and role information

SELECTED SOURCES

Sources that support the market comparisons.

The historical market comparisons draw on Federal Reserve History, the Federal Reserve Bank of St. Louis, S&P Dow Jones Indices and the Autorité des marchés financiers. Canadian sector data is based on Statistics Canada Table 10-10-0125-01. The Canadian bond comparison uses BlackRock's iShares Core Canadian Universe Bond Index ETF data.

Planning and role context draws on the British Columbia Securities Commission, the Canada Revenue Agency, the Financial Consumer Agency of Canada, the Insurance Council of British Columbia, Canadian Securities Administrators and the Owning Assets in Order of Asset Security™ framework records.

Full source URLs, methodology notes and supporting calculations are retained with the presentation records.

SOURCE APPENDIX

Detailed sources and methodology.

The source titles on this page are clickable. They support the historical comparisons, planning context and professional-role framework used throughout this guide.

Market history and index data

Canadian sector and bond data

Securities, tax and insurance context

Framework and role information

CLICKABLE SOURCES

- Federal Reserve History: 1987 Crash
- BlackRock: XBB Fund Data
- FRED: Nasdaq Composite
- BCSC: National Instrument 31-103
- S&P DJI: In the Shadows of Giants
- CRA: Flow-Through Shares
- S&P DJI: Historical Peak and Trough Data
- FCAC: Life Insurance
- AMF: Canadian Bear Markets
- Insurance Council of BC: Licensee Responsibilities
- Statistics Canada: Table 10-10-0125-01
- CSA: Client-Focused Reforms

Methodology: financial and resource results are price-index changes calculated from monthly closing levels in Statistics Canada Table 10-10-0125-01. The resource proxy is the simple average of the Canadian Energy and Materials index changes. The XBB comparison uses adjusted monthly total-return values. Supporting calculations are retained with the presentation records.

Aligned with the PowerPoint Master Presentation and Speaker Note Master Speaking Notes Version 40 | July 2026