



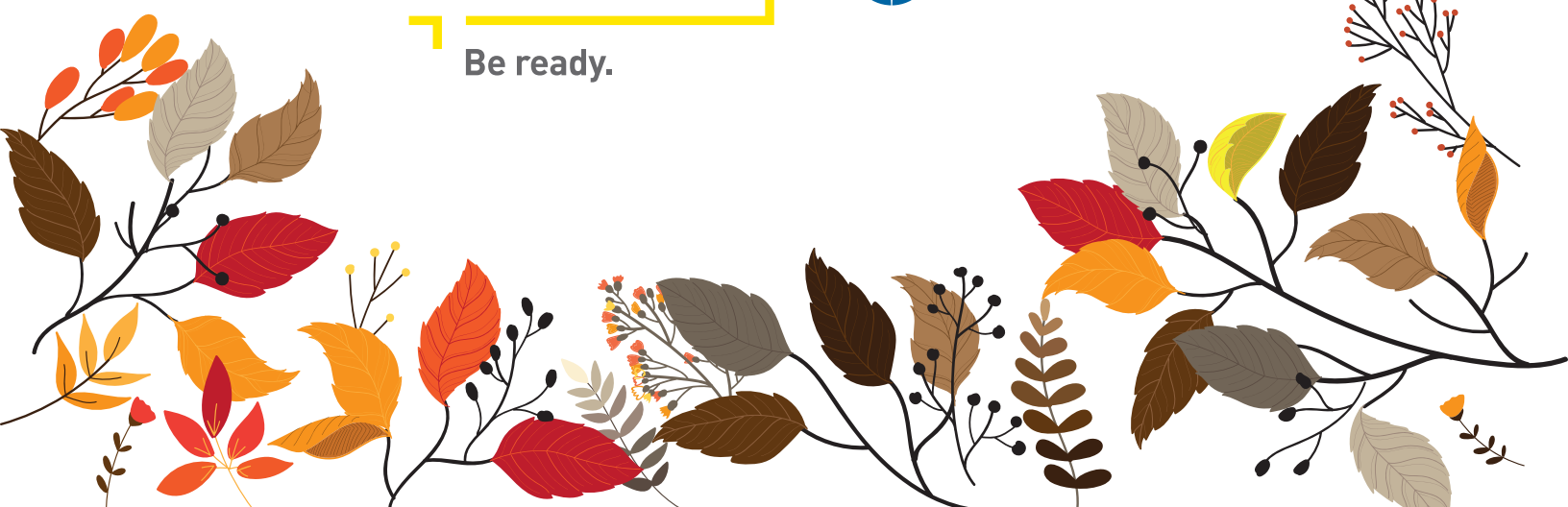
# FALL 2018

## Newsletter

**LAWYERS  
FINANCIAL**



Be ready.



# 4 QUESTIONS

## *to ask your* **Lawyers Financial Advisor**



1

### **What is my current financial situation?**

This can be scary but it's very important that you understand your current financial picture. This includes your assets, insurance coverages, debts and savings, and your risk tolerance. It's not until you have all this information that you can identify gaps and opportunities. Having a solid picture of your situation will help you make informed decisions today about your future.

2

### **What type of life insurance do I need?**

There are two major types of life insurance.

First is term life insurance, which offers protection for a specified length of time. If you're in your 30s with a couple of kids, you might want enough to cover their lifestyle and education should something happen to you in the next five or 10 years. It's generally inexpensive, and will insure you during that term.

Another form is permanent life insurance, which remains in force for as long as premiums are paid. Based on your needs, an advisor can help determine which option offers the best value for your situation.

3

### **When can I retire?**

This can be a very complex question, but the sooner you ask it, the sooner you're able to develop a plan to get there. You will need to think about the lifestyle you want to have and the types of activities you want to do during your retirement because if you're happy to sit in the garden and read or paint, that will require a different level of income than someone who wants to golf every day and travel around the world.

4

### **What are my top three financial priorities?**

Your Lawyers Financial advisor can work with you to assess your lifestyle needs and future goals, and determine your top priorities. It could be boosting your savings or paying down your mortgage, or it could be getting insurance in place while you're healthy. If you're in your 20s, developing a plan for retirement is not likely to be the top priority, as it might be if you're over 40.

Overall, the sooner you start talking with an advisor to develop a plan, and the more often you revisit and modify that plan, the better off you and your family will be.



# RSP SEASON IS AROUND THE CORNER...

## Are you ready?

Here are just a few reasons why you should invest with the CBIA/Lawyers Financial Investment Program:

- Designed for and offered exclusively to Canada's legal community.
- Provides unique access to institutional funds not typically available to individual investors.
- Significant cost savings due to low investment management fees, no additional sales charges, administration or trustee fees, and loyalty discounts\* of up to 60 bps. Lower fees equal higher returns.
- Investment plan choices include RRSPs, TFSAs, RRIFs, and non-registered accounts for both individuals and law firm group plans. Law firm pension plans are also available.
- Clients can create their own portfolio, or have professionals manage their assets through Target Date and Target Risk funds.
- Enrolment and ongoing management of accounts can be done completely online or with personalized service through a dedicated call centre or your Lawyers Financial advisor.

**Connect with your Lawyers Financial Advisor or visit [lawyersfinancial.ca](http://lawyersfinancial.ca)**

\*Discounts are based on portfolio size, CBA membership, and are available on individual investor plans.

The Lawyers Financial Investment Program is issued by The Great-West Life Assurance Company or its subsidiaries and administered by Morneau Shepell Ltd. Lawyers Financial products and plans are sponsored by The Canadian Bar Insurance Association (CBIA). Lawyers Financial is a trade mark of CBIA and is used under license by Morneau Shepell Ltd. and The Great-West Life Assurance Company.

# SWITCH TO PAC



We want to help simplify your life. **Switch to PAC today.**

There are many benefits to paying by Pre-Authorized Chequing (PAC):

- Premiums are paid automatically, on time, every time
- PAC transactions are secure
- No more cheques to write, stamps to buy, envelopes to lick or mailbox trips

You will continue to receive a statement, so you'll know exactly what's being paid, and when. For CBIA/Lawyers Financial, it means less time manually administering cheques and improved service overall!

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## SWITCH TODAY!

It's easy to switch. Simply go online to [lawyersfinancial.ca/PAC](http://lawyersfinancial.ca/PAC), complete the form and we'll do the rest.

Or, call our client experience team at **1.800.267.2242**.

# IS YOUR INCOME PROTECTED?

We all know the benefit of life insurance; namely to protect your family's lifestyle once you're gone. But what about protecting that same lifestyle should you have a serious accident or illness, but not die? How would you replace your monthly income if you were unable to work?

That's what Disability Insurance is for. Essentially, it provides coverage for a loss in personal income as a result of a serious illness or accident. It's a monthly payment based on the coverage chosen in your policy.

You may think "I have group benefits, so I'm covered." Be sure to check that very carefully. Quite often the coverage offered through group benefits is not enough. But, you can use Lawyers Financial Disability coverage to protect as much of your income as you need to.

And, what if you're a lawyer who runs a solo or small practice and don't have this type of insurance? For you, this could be the most important type of insurance to consider. Your ability to earn an income is your biggest asset.

Lawyers should plan their disability insurance coverage for the present and the future — since incomes will likely increase over time. When you purchase disability coverage, you'll be offered a Future Increase Option (FIO). For very little money, it will allow you to increase coverage in the future without undergoing a medical examination.

Finally, you need to purchase insurance from someone you trust. CBIA/Lawyers Financial was established to focus solely on the insurance and investment needs of the legal community. We take that mandate very seriously and take pride in providing the very best in products and service to our clients.

Lawyers Financial products and plans are sponsored by The Canadian Bar Insurance Association (CBIA). Lawyers Financial is a trade mark of CBIA. Disability insurance underwritten by The Manufacturer's Life Insurance Company (Manulife).



**From my recent experience, the CBIA/Lawyers Financial Disability Insurance product is clearly the best option for lawyers. I experienced a disability and submitted claims through both CBIA and another provider. The difference was night and day. Through the CBIA/Lawyers Financial program, I was treated with respect and compassion. I cannot say the same about the 'other guys.' And, the CBIA rates are much less expensive. A significantly better experience for much less money. They really are "all for lawyers."**

**— Vancouver Lawyer**

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**Connect with your Lawyers Financial Advisor to discuss your disability insurance needs.**



# TAKING CPP TOO EARLY?

## Waiting until 70 may be right for you.

For many, age 65 seems like the right time to apply for CPP benefits because that is when you should be eligible for the maximum amount. However, there is a compelling case for deferring CPP until the age of 70.

Check out the infographic and then book a meeting with your Lawyers Financial Advisor to discuss the best approach for you.

[www.lawyersfinancial.ca](http://www.lawyersfinancial.ca) or 1.800.267.2242

## DON'T START CPP UNTIL YOU'RE 70!

34%  
of Canadians start  
taking CPP at age  
**60**



42%  
of Canadians start  
taking CPP at age  
**65**



But...

if you wait  
until age **70**

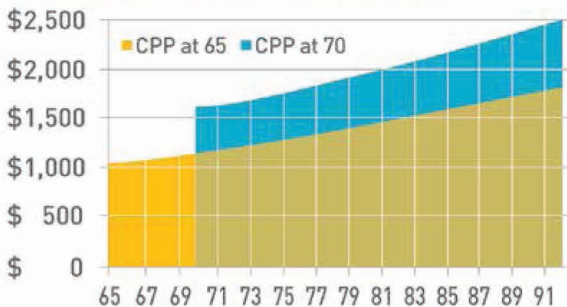
your CPP  
will be **42%\*** higher than  
at age 65

\* Your CPP will remain at that level  
(+ allowances for inflation) for your lifetime.



CPP is like a defined benefit pension provided by the government

### Monthly CPP benefit comparison



### HOW IT WORKS

Maximum monthly CPP pension at age 65 (in 2018) **\$1,134**

Add 8.4% for each year after 65 that CPP is deferred

At 70, CPP is 42% higher than at 65 (plus inflation)

Maximum monthly CPP pension at age 70 (in 2018) **\$1,610**

### Why starting CPP late is so effective



The 42% (or more) increase is for life, no matter how long you live



The higher amount is inflation-protected



Payment is not affected by interest rates or investment returns (which your savings is subject to)

Source: *Retirement Income for Life: Getting more without saving more* by Frederick Vettese



# WORD ON THE STREET...

## Lawyers Financial Office Insurance can't be beat!

Launched earlier this year, our Office Insurance Program is creating quite a stir in the legal community. We could tell you all about the benefits of this program (i.e. cyber coverage), but it's probably better to have our satisfied clients say it for us (unsolicited testimonials)...

“The quote I obtained online looked too good to be true so I compared the language of the policy with our existing coverage. The Lawyers Financial Office Insurance Plan is far superior to anything else I've been able to find. And, the rates are unbeatable. Essentially, we are paying half as much for more than double the coverage options we currently have. This product is well worth a look.

— S. Murphy, Newfoundland

“The significant cost savings, along with included features that were 'à la carte' in our current policy, made it worthwhile to cancel mid-term and sign on with Lawyers Financial Office Insurance.

— M. Armitage, Alberta

## GET A QUOTE TODAY!

Visit [lawyersfinancial.ca/office](http://lawyersfinancial.ca/office) to get your quote in minutes!

Lawyers Financial Office Insurance Program (the "Program") is underwritten by Arch Insurance Canada Ltd. ("Arch"). Lawyers Financial products and plans are sponsored by The Canadian Bar Insurance Association (CBIA). Lawyers Financial is a trade mark of CBIA and is used under license by Arch, Dion Insurance Program Management Inc. ("Dion IPM") and Hunters International Ltd. ("Hunters"). Dion IPM is the Program Manager and Broker. Hunters is a licensed insurance broker for the Program.

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FINANCIAL**

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Si vous préférez recevoir ce bulletin en français, veuillez envoyer un courriel à [service@financieredesavocats.ca](mailto:service@financieredesavocats.ca), fournissez vos nom et adresse et nous vous l'enverrons. Merci !

[www.lawyersfinancial.ca](http://www.lawyersfinancial.ca)

