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Practical Wealth Creation Ideas

...for Simplified Financial Success™



Reasons to Consult a Lawyer TO UPDATE YOUR WILL

Keeping your will up-to-date is as important as having a will. Consider updating your

will for the following reasons.

- **Marriage.** Your will is revoked upon marriage, unless it specifically states it was created in contemplation of marriage.
- **Birth of children and grandchildren.** Ensure they are provided for.
- **Divorce.** If your will names your spouse as executor, this appointment is nullified upon divorce.
- **Separation.** If you die before your divorce becomes final, your spouse may retain access to your estate assets.
- Note: Legislation may vary in some provinces.*
- **Change in wealth.** If you inherit money, or your assets decline, consider altering your bequests.
- **Change in laws.** The validity of your will may be affected by changes to laws.
- **Change in health.** If you anticipate requiring costly long-term health care, you may want to alter the specific bequests in your will to reflect this new reality.
- **Death of executor or beneficiary.** Appoint a new executor or review your beneficiary designations.
- **Sale of business.** If your assets become more liquid upon the sale of a business, pass that benefit along to beneficiaries or charities.
- **Purchase of major asset.** If you buy a new asset (e.g., a cottage) not dealt with in your existing will.

Magical Capital:

CREATING LARGE TAX-FREE CAPITAL GUARANTEES

Life insurance has provided families with basic financial security for well over 100 years. For example, a healthy 40-year-old male, non-smoker, can purchase up to \$500,000 worth of insurance for as little as \$50 per month. That life insurance policy would pay out a tax-free death benefit equivalent to 10,000 times the amount of one monthly premium payment!

In this case, the guaranteed cheque for \$500,000 would provide necessities such as groceries, shelter and home repairs, transportation for dependents, and perhaps a higher education for children. In this sense, life insurance is tangible. When we look at the assets and services such a large benefit can purchase, and for whom the security is assured, we realize how small the premium really is. Even if a death occurs one day after the initial premium payment, the full benefit is payable tax-free, thus instantly creating new capital, far exceeding what the insured individual may have acquired in net worth. Most accountants and financial advisors agree: even before investing, life insurance is the foundation upon which families with dependents build their financial security. Life insurance, in addition to your current capital saved, is designed to make up the difference, in order to provide the total capital necessary to create ongoing investment income from which dependents can live securely after income taxes and other liabilities are paid. Many people who may not have perfect health are surprised to find that they can also purchase life insurance to insure their financial security.

Note: Life insurance premiums vary according to the policy type, and in some cases paying a little more premium offers enhanced benefits and some offer tax deferral strategies.

Please seek professional advice prior to investing. Where mutual funds are considered, please read the funds' prospectus before investing. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments which are not guaranteed; their values change frequently and past performance may not be repeated. Any indicated rate of return is for illustration purposes only and is not intended to reflect future values of returns on investment. Financium, the publisher does not guarantee accuracy of information, and will not be held liable in any way for any statements or statistics in this publication, though we seek to present reliable, precise and complete information. Written permission of Financium who retains all rights, must be obtained prior to any reproduction. ©Financium. email: admin@adviceon.com [03/01/10]