

Wealth of Life



Wealth Management
Dominion Securities

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Thank you

This past fall can best be described as an “endless summer” – wow, was it ever beautiful. I actually spread my fall chores over September, October and November so that I could spend a little more time enjoying the fall colours, and I am glad I did – they were spectacular. I had a few nice hikes around Albert County, got to the top of Hayward Pinnacle and sat in a few red “150” chairs in Fundy Park. If you remember from last winter’s newsletter, I was complaining about all the yard work I do spring to fall and how time passes me by. There was a little more balance in 2017, I am proud to say. Here we are though almost to Christmas and old man winter is bearing down on us.

Everyone on the team was pretty excited as we had both the practice management and the efficiency teams in to see us in November. This helps us better define who does what, make

sure we have proper processes and procedures in place and maximize all of the technology RBC provides. We’re looking forward to a more efficient and productive 2018. Melanie is settling in perfectly – you would think she had been with us forever.

In this issue, we have a great article on spouses working together on wealth planning, an awesome speech on what matters in life, an introduction to our partner Elke Gaudet of RBC Private Banking and six ways insurance can help your wealth.

On behalf of everyone on the team, thank you for all the kindness, respect and caring you give to us on a regular basis – we really appreciate it. We hope you have a wonderful holiday season with your friends and families, and also a great winter.

– Howard Tingley



Happy spouse, happy house

Four reasons to keep your spouse involved in managing your family's wealth

In families, there's often a division of labour between spouses when it comes to running the household. For example, one spouse might handle the household's wealth management concerns. However, there are many good reasons to consider working together on money matters.

1. Maintain marital bliss

It's no secret that money is a leading cause of marital discord, but it doesn't have to be. Being upfront about your finances and sharing responsibilities can help a couple get on the same page. As a first step, consider creating or updating a family financial plan.

"It's important for couples to discuss financial matters openly," says Grant Richmond, Vice-President & Director, RBC Dominion Securities. "The process of creating a financial plan together can help couples work through potential conflicts like different spending priorities and financial values."

That doesn't mean that you have to make every single financial decision together. Even in a marriage, people need some independence. It also doesn't mean that both spouses have to be equally involved – everyone is different. But being open about money matters and conferring with each other about the big financial decisions can help avoid conflict.

2. Stay focused on common goals

Money often goes in hand in hand with the big goals in life. Earlier in your marriage, you may have shared the same big goals. But people change, and financial situations change, and it may be different now.

"It's important to keep the conversation going, and ensure you're both agreed, where possible, on major financial priorities as you go through life's changes," says Richmond.

"You need to answer important questions like 'how much you should save for retirement?' Or simply what you want to do in retirement. Your personal dream may be to sail around the world, but does your spouse share that dream?"

Often, people are so busy to think about these sorts of questions. Creating a financial plan can give your partnership the structure you need.

3. Prepare for one of you to live longer

It is very common for women, especially, to outlive their spouses. According to Statistics Canada, there are nearly two women for every man aged 85+.

Regardless of which spouse outlives the other, it's very likely that one spouse will be solely responsible for the household finances at some point.

"If the surviving spouse was not involved with financial matters, it can be overwhelming for them to suddenly be responsible for making all of these decisions, especially when they're dealing with the death of their spouse," says Richmond.

"That's why it's important for both spouses to be involved in financial matters, and to know where they can get the support they need from professional tax, legal and financial advisors."

And it's never too late to start, Richmond adds.

"We often talk about financial education being important for children – but it can really start at any age."

4. Take care of each other

With better health care, people today are generally living longer, but often living with health issues. Who makes decisions about the household finances if one

spouse is incapacitated? Or how do you fund their health care needs beyond what's covered by government plans?

"It's important to plan ahead for incapacity with your spouse," says Richmond. "Two important things to consider are your power of attorney and health care arrangements."

Consider who you name as your power of attorney ("mandatary" in Quebec) – the person responsible for making decisions about your finances if you are unable. Sometimes, your Power of Attorney document will also include instructions regarding your personal care or medical treatment. Depending on your province, you may need an additional document for this, called a power of attorney for personal care, or a "Living Will."

"Spouses will often name each other," Richmond says. "That's another reason why both spouses should have a good understanding of the household's wealth management concerns."

Couples should also think about the financial implications of their future health care needs.

"What if one spouse is the primary income earner, but can no longer earn an income for health reasons? Or one spouse needs specialized health care that you have to pay for out of pocket?"

You may need additional insurance to cover situations like these and it's important that both spouses are aware of what to do when the time comes to use it.

Marriage can be complicated – and even more so when you add money to the mix. We can help, with wealth planning that includes both you and your spouse. To learn more, please contact your advisor.

RBC Private Banking now has someone right here in Moncton, NB

Introducing Elke Gaudet, MBA, PFP, Private Banker



Elke's extensive financial services experience equips her well for her role as Private Banker. By utilizing her network of specialists, Elke is able to provide best-in-class banking, credit, estate and trust solutions, investment management and business owner planning services.

Elke has over 20 years of industry experience and holds the PFP designation, as well as an MBA from Queen's University.



Thirty second speech by Bryan Dyson – former CEO of Coca Cola

Imagine life as a game in which you are juggling some five balls in the air. They are Work, Family, Health, Friends, and Spirit and you're keeping all these in the air.

You will soon understand that Work is a rubber ball. If you drop it, it will bounce back. The other four balls though – Family, Health, Friends, and Spirit are made of glass. If you drop one of these they will be irrevocably scuffed, marked, nicked, damaged or even shattered. They will never be the same. You must understand that and strive for it.

Work efficiently during office hours and leave on time. Give the required time to your family, friends and have proper rest.

Value has a value only if its value is valued.

Thank you for the introductions



I just wanted to take a moment to thank all of our existing families, accountants, lawyers, RBC partners and others that introduced friends, family and clients to us over the last year. We have welcomed a number of great families to our practice in 2017.

Thank you so much for the confidence and trust you place in us in order to make an introduction to a friend or family member. We are committed to making sure these new families will be highly cared-for, and that you can feel good about the important impact you have made in their financial lives by introducing them to us.

We feel we have built one of the best teams in the industry – we have a solid investment process, surrounded by great wealth management partners and supported by the leading investment firm in the country.

Again, thank you.

– Howard Tingley

Six surprising ways insurance can help protect your wealth

While most people know about the basic protections offered by life, home and auto insurance, many are unaware that insurance can be an extremely flexible and versatile wealth management planning tool.

1. Estate tax funding

A life insurance policy can be an effective means of satisfying tax obligations at death. It can provide immediate and tax-free liquidity to satisfy estate obligations, including taxes, probate and estate settlement costs. For example, secondary real estate such as a cottage or rental property, or an RRSP or RRIF, can come with a hefty tax bill for beneficiaries other than your spouse upon your death. A life insurance policy can be used to cover the expected taxes, and can also be set up on a single life or joint last-to-die basis.

2. Estate equalization

Insurance can be useful in instances where equal distribution of assets to your heirs is important. For example, your wealth may be concentrated in a large, non-liquid asset such as a business or family cottage, which you wish to pass to a specific heir, yet still treat your other heirs equitably. In circumstances like these, insurance can help solve the problem. You can gift or pass the asset to your heir as desired, while your other beneficiaries can receive tax-free proceeds from an insurance policy to equalize the inheritance.

3. Insurance as an investment

Insurance can make a great investment within a diversified portfolio. With fixed-income rates at all-time lows, the growth of tax free dollars within an insurance policy can be a great alternative fixed-income investment, especially within a corporate structure. In retirement, you can take cash directly out of the policy and pay tax or you can borrow against the policy tax-free (most people just let it grow tax free).

4. Asset protection

Under provincial insurance legislation, personally-owned insurance policies generally receive a special level of protection from creditor claims when there is a named beneficiary. In the case of a preferred beneficiary or irrevocable designation, an insurance policy is also generally beyond the reach of the insured's creditors during the insured's lifetime.

5. Buy-sell funding for business owners

Many shareholder agreements contain mandatory buy-sell obligations in the event of the death, illness or disability of a shareholder. Prudent planning

requires that such agreements be funded with life or living benefits insurance, so that funds will be available to satisfy the buy-sell obligation. Structuring the buy-sell with insurance solutions and to maximize the benefit of tax-relieving rules is critical to maximizing shareholder value and minimizing disruption to surviving stakeholders.

6. Living benefits

Living benefits insurance is a type of coverage that pays a benefit to you while you're alive. Three distinct solutions – disability, critical illness and long-term care insurance – help ensure your financial stability by covering a wide range of expenses or providing income replacement due to injury, illness or aging. Living benefits have become increasingly popular and necessary as people live longer and for longer periods of time with health issues requiring additional care and financial support. They are also an important consideration for those without adequate employee benefits.

Contact us for more information on these and other insurance solutions.



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