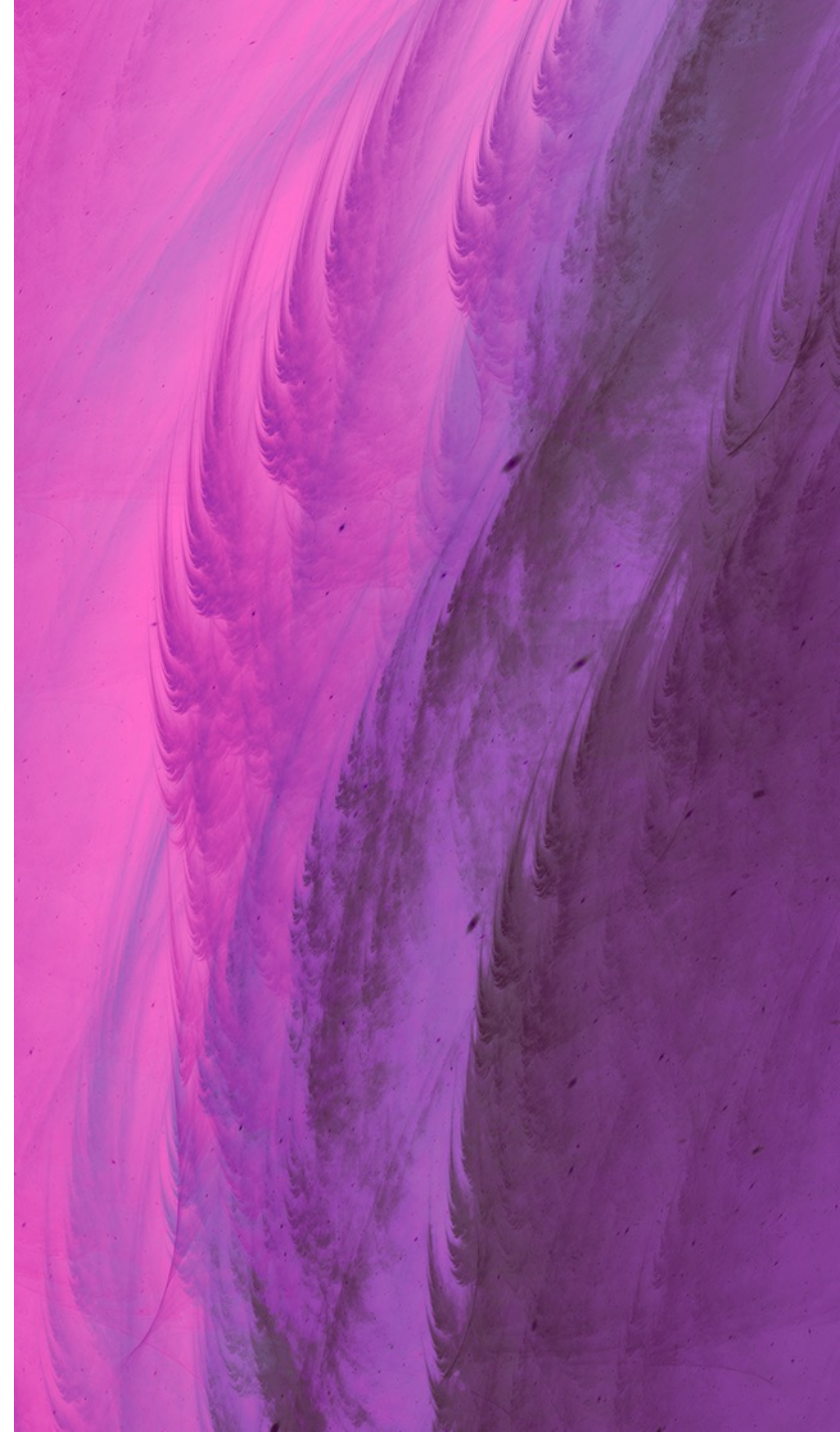


Unstoppable. Don't let life derail your financial goals

The importance of living benefits

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November 17, 2021





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Christine has been featured on GlobalBC News, MoneySense Magazine, Dollars and Sense, New Westminister Record and writes quarterly for the Burnaby Now Local Pros and Tricity News Local Pros.

WHAT WE DO

| | |
|------------------------|----------------------------|
| Insurance | Income Protection Planning |
| Estate Planning | Retirement Services |
| Family Wealth Transfer | Investments |
| Financial Planning | |



Your Greatest Asset



- You're here today because you want to learn how to take actions that will secure your financial future.
- I want to talk about the greatest asset that you have.
- It's not your house, even in this crazy real estate market, it's not your car, and it's not even your investment portfolio....
- **YOU are your greatest asset**



Think of the value that you generate that is completely unique to you and your life experience:

- ❖ The time you've spent training for your career
- ❖ The hard earned experience that you bring to the table
- ❖ The successes you've achieved so far
- ❖ The relationships that you manage

All of these things are packaged together as *you*, and you take them to the market every day to benefit your employer or your customers directly.

Life is Chaotic

You can do everything right
and by no fault of your own,
things will still not go to plan.



Every financial goal that you set is reliant on the money that you anticipate that you'll earn in the future at your current salary and beyond

Income replacement is an absolutely critical part of managing the risk of the unexpected so that if there ever comes a time in your life when you can't earn an income, you can continue to pay the bills and provide a good life for yourself and your loved ones.



That's what it means to be Unstoppable.

No matter what life throws your way, you're:

- ❖ Still on track to achieving your financial goals
- ❖ Able to provide for yourself and your family
- ❖ Maintain your same standard of living
- ❖ Able to retire comfortably when the time comes

What would happen if you could no longer do your job?

Think about yourself and the value that you bring to the table in the workplace. Put yourself in our position where your income suddenly stops.

- What would happen if you could no longer do your job?
- Who is relying on you to continue to have the same standard of living, is it children or a spouse/partner?
- If you're on your own, it's even more important as there is no safety net beyond the one that you create for yourself.
- There are bills that still need to be paid. Where would the money come from?
- How long would your savings last?
- Which goals and dreams would you have to postpone or give up on completely?



What would happen if you could no longer do your job?

- How would your identity change? This is often overlooked in a discussion about finances, but we're so entrenched in our career and derive personal value from our job title. How do you define your value as a person?
- How would you pay for retraining? Would you change your industry? Where would you go?
- What about funding your retirement? Will those plans be put on hold? How long could you defer them and still comfortably retire?
- How much time could you take off to recover and make these life altering decisions before you or your family had trouble paying the bills?



The value of YOU



From a purely monetary point of view you can put a dollar value on your career by looking at the amount of money you will earn from now until the time you retire.

- If you're 30 years old today and plan on working to 65:
 - ❖ Income of \$50,000, you will earn \$1,750,000
 - ❖ Income of \$85,000, you will earn \$2,975,000
 - ❖ Income of \$100,000, you will earn \$3,500,000

Not counting wage increases over time!

Group Insurance

Review your plan very carefully to see how much it will pay, under what circumstances and for how long.

Most group plans will not cover a partial disability. You need to be considered fully disabled, by your Doctor and a reviewer from the insurance company before a claim will be approved.

Even if you are fully disabled and do qualify, go on claim and are receiving benefits there will be a change in the definition of 'disability' in most group insurance contracts which can cause your benefits to stop, usually after two years. That's when the definition opens up from you being able to perform duties of your 'regular job' to 'any occupation'.



What you want to see in a contract

You want a contract that is non-cancellable, which means that the insurance company can't make changes to the contract after it's issued as long as you continue to pay premiums.

Does not have any material exclusions built into the contract.

Pays to age 65, or your desired retirement age.

The definition of disability is the most important part. You need to know what the fine print says to get this right.

Covers the duties of your 'own occupation' or the next best definition class that you can get if 'own occupation' is not available in your industry.

Covers partial disability or residual disability (loss of time or loss of income). Some contracts will only have partial or residual benefits for a limited time.

What you want to see in a contract

Covers re-occurring disability and multiple claims.

Has a future insurability option which allows you to increase coverage by a pre-determined amount without needing to apply again, if your earnings have gone up. This is important if your health has changed and you find yourself needing more coverage. Applying for disability insurance once you've had a claim will cause future claims of the same nature to be denied. The insurance has to be in place before you need it.

Has a cost of living adjustment where your benefit will increase to adjust for inflation by a pre-determined amount while you're on claim.

Will return premiums to a named beneficiary if you die.

Will return a portion of the premiums if you don't claim after a set amount of time.

What you want to see in a contract

Some of these features cost more than others, so part of building a contract that is right for you is weighing the cost of that feature to the benefit that you'll receive. You'll want a professional that works for an independent firm that has contracts with multiple insurance companies so that they can find the best product and price for your budget.

One of the other added benefits of buying your own contract is that if you pay for it out of pocket the benefit is tax free, which makes the money go further when you're on claim.

A personal policy will also provide 24 hour coverage, so it won't matter how or where you're injured.

Keep in mind, no disability insurance contract will cover 100% of your wage because there needs to be some incentive for you to return to work.

You'll also want an emergency fund that will cover the elimination period. Most contracts have a 90 day waiting period after the claim has been accepted.

Critical Illness Insurance

Provides a lump sum cash infusion at the time of need

- The benefit can be tax free if you pay for the policy personally.
- Must survive a diagnosis of a covered condition by 30 days.
- Easy to verify and claims are quick to pay out.

Different contracts for different budgets

- Term insurance costs less and covers a specified period of time, such as your working years.
- Permanent insurance covers you for life but costs considerably more since there is a higher probability of a payout.

It won't happen to me

- “We didn’t think it would happen to us, either.”
- Statistically, it will happen to someone you know.
- “I’ll do it tomorrow”, but tomorrow if your health changes, the same options may not be available.
- Don’t make the same mistake I did and save a few thousand dollars and lose out on a much larger amount.
- Rather than seeing the premium that you’re paying as taking away from your goals, you’re using those premium dollars to protect your goals and increase the likelihood that they will be achieved.
- The best time to protect yourself is now!



Podcast available now and revised edition of the Debt-Free Lifestyle releasing on Jan 1, 2022!



Thank you and take care!



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