



LEELAND NEWSLETTER

LEELAND FINANCIAL GROUP



207 – 5403 Crowchild Trail NW Calgary Alberta T3B 4Z1
TEL: (403)-265-0235 FAX: (403)-265-0311 TOLL FREE: 1-800-341-1888
EMAIL: richard.lee@leeland.com or rlee@monarchwealth.ca
WEBSITE: www.leeland.com



Dear Valued Clients,

Summertime is here and all of us at Leeland Financial Group and Monarch Wealth Corporation wish you a pleasant, enjoyable and safe summer season.

In this edition of the Leeland Newsletter we will cover:

- Monarch Wealth Corporation Update – Mutual Funds
- Canada Life Update – Insurance and Segregated Funds
- Market Update and Outlook
- Insurance Discussion and Case Study

Monarch Wealth Corporation Update – Mutual Funds

We are continuing our migration over to Monarch Wealth Corporation for our clients with mutual fund investments. Leeland has worked with Monarch Wealth to negotiate the best fees for the first year transition. Up to June 2020, our clients will pay a maximum of either:

- \$105.00 (\$100.00 + GST) for a single account, or
- \$157.50 (\$150.00 + GST) maximum for two or more accounts.

Monarch Wealth Corporation's normal fees effective July 2020 will be:

- \$100.00 + GST for the first account and \$50.00 + GST for each subsequent accounts
- For example, a client with four accounts will pay \$100.00 for the first account and \$50.00 each for the other three accounts for a total of \$262.50 (\$250.00 + GST)

Monarch Wealth Corporation allows us access to thousands of mutual funds as well as Canadian, U.S. and Global Equities for maximum portfolio growth and mutual fund ETFs (Exchange-Traded Funds).

Disclaimer

Commissions, trailing commissions, management fees, brokerage fees and expenses all may be associated with mutual fund investments, including investments in exchange-traded series of mutual funds. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. There can be no assurances that the Fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Please refer to the Fund Facts document for more information.

<https://www.monarchwealth.ca/disclaimer>

Canada Life Update – Insurance and Segregated Funds

Leeland Financial also offer segregated funds through Canada Life, which may be a better option for our clients who desire more security and moderate growth. Segregated funds are funds with the benefits of a life insurance policy. Advantages of segregated funds are:

- Potential for creditor protection
- Privacy
- Ability to reset and lock in gains in the market
- Ability to bypass probate
- Death and maturity guarantee

Canada Life has 68 different segregated funds with their top funds up 13-19% Year to Date (YTD).

- | | | |
|---------------------------------------|-------------|---------------------------------------|
| • Can Global Future (M) 75/100 – FE | +19.22% YTD | Source |
| • Can U.S. Growth (Put) 75/100 – FE | +19.11% YTD | Globe and Mail Watchlist |
| • Can CDN Equity (Lk) 75/100 – FE | +14.99% YTD | Wednesday July 3 rd , 2019 |
| • Can Mid Cap Canada (G) 75/100 – FE | +13.88% YTD | Past performance is not |
| • Can Global Equity (Ivz) 75/100 – FE | +13.14% YTD | indicative of future returns. |

Market Update and Outlook

Although the market has been volatile recently, the gains have been mostly positive thus far with the investments that we are monitoring. The volatility may be attributed to:

- Trade (tariff) war between U.S.A. and the People’s Republic of China.
President Trump met with President Xi Jinping at the G20 (Group of 20) Summit Conference in Japan last week. As a result, President Trump has agreed to restart talks with China over the tit-for-tat tariff war. The market reaction so far has been muted and there has not been much movement up or down on this new development.
- Brexit uncertainty
Theresa May resigned as Prime Minister on June 7th, 2019 and the race is on for a new leader.
- Geopolitical tension in the Persian Gulf between U.S.A. (and allies) vs Iran
 - On June 13th, two oil tankers (Norwegian and Japanese) were attacked in the Gulf of Oman. The U.S.A. blames Iran, but Iran denies responsibility.
 - On June 19th, Iran shoots down a U.S.A. surveillance drone which it says violated Iranian airspace. The U.S.A. disagrees and says that the drone was in international territory.
- The unpredictability of President Donald Trump and his Tweets
 - Trump called off trade talks with China in recent months, only to reinstate them later.
 - Trump orders retaliatory attacks against Iran on June 20th for shooting down the surveillance drone but cancels the strikes before they are launched.
 - Trump met with North Korea’s Kim Jong Un at the Joint Security Area in Panmunjom on June 29th after tweeting a surprise invitation from the G20 Summit to meet in the DMZ (Demilitarized Zone).

In the last week of June 2019, there were a couple of experts on BNN Bloomberg that are bullish on gold.

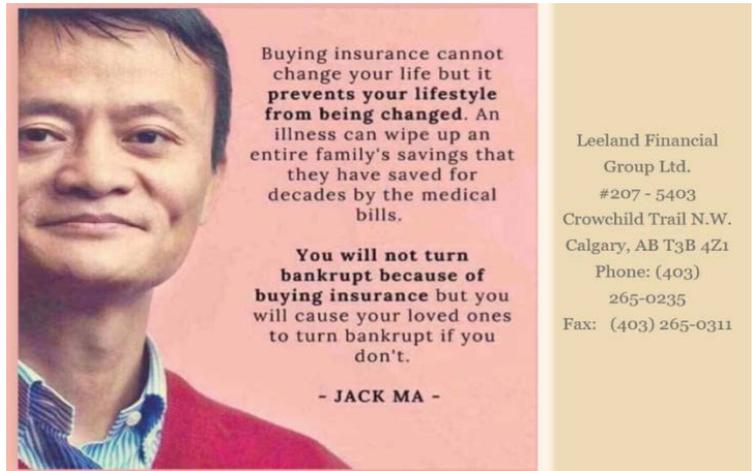
- Berman’s Call (June 24th) – Larry Berman is bullish on gold and it comprises 25% of his holdings with an expectation of a 20-25% gold price increase in the next few months.
- Andrew McCreath (June 25th) is likewise bullish on gold prices in the next while.

We continue to monitor the gold price situation and will advise if there is an opportunity to participate in this growth.

Insurance Discussion and Case Study

Life insurance can maximize your family wealth, preserve the value of your estate and provide peace of mind to the beneficiaries. The benefits of life insurance are:

- Future financial security for family
- Income replacement
- Estate protection
- Final expenses and taxes on death
- Retiring personal and/or business debts
- Probate fees
- Charitable and other bequests
- Estate equalization
- Matrimonial obligations
- Legacy (for future generations – grandchildren and great-grandchildren)
- Funding buyout arrangements
- Key person



Buying insurance cannot change your life but it **prevents your lifestyle from being changed**. An illness can wipe up an entire family's savings that they have saved for decades by the medical bills.

You will not turn bankrupt because of buying insurance but you will cause your loved ones to turn bankrupt if you don't.

- JACK MA -

Leeland Financial Group Ltd.
#207 - 5403
Crowchild Trail N.W.
Calgary, AB T3B 4Z1
Phone: (403) 265-0235
Fax: (403) 265-0311

There are also other forms of living benefits insurance such as disability, critical illness, and long term care which can meet your various personal and business needs while you are still alive.

Disability insurance will pay out benefits when you become medically disabled and cannot continue to work as normal. It provides tax-free money you need when you need it most to pay for expenses so that you can focus on recovery.

Critical illness insurance is designed to ease the financial pressures of suffering from a serious illness by paying out a lump sum on diagnosis by a doctor. Depending on the insurance policy, it can cover the top illnesses (cancer, heart attack and stroke) or a more comprehensive list of 25-30 different illnesses, depending on the insurance company.

All of us at Leeland Financial appreciate your continued loyalty and trust. Thank you very much!

We are constantly striving to provide you with the best possible services and we are currently working on a transition plan with new personnel to continue serving you far into the future.

If you have any questions, comments or suggestions, please drop us a line at:

- Email: richard.lee@leeland.com (Insurance and Segregated Funds)
- Email: rlee@monarchwealth.ca (Mutual Funds)
- Phone: (403) 265-0235 or toll free at 1-800-341-1888

Case study - Life insurance helps an uninsurable widow build her legacy by Yuka Nakahara-Goven.

The case

One of the longtime key employees of a food service company needed service on a life insurance policy he had purchased from an advisor who was no longer in the business. The employee was married with one young child. His wife was uninsurable due to multiple medical conditions.

I serviced his policy and kept contact with the entire family. Because of his referrals, the company owner and all of the employees also became clients. Unfortunately, one day this key employee suddenly fell ill at work and passed away in the ambulance on the way to the hospital.

The primary issue was that the beneficiary spouse was never insurable, and she truly understood the significance of having life insurance. She was determined to do something meaningful and make an impact for her now-grown son with the proceeds from her beloved husband's life insurance.

Solutions/recommendations

This was the first time I proposed an SPPO (spouse's paid-up insurance purchase option), which was automatically built into a whole life policy. We used one-third of the death proceeds to purchase a paid-up life policy with a face amount of more than two times the lump-sum premium paid on the 58-year-old widow without medical underwriting. The remaining proceeds were invested in conservative mutual funds with liquidity.

The takeaway

This case taught me the importance of client service and keeping words of promise. The referral business following this case was heart-warming. Always be sincere and truthful no matter how small a case seems to be. **KT**



CONTACT:

Yuka Nakahara-Goven
ynakahara@ft.newyorklife.com

Yuka Nakahara-Goven is a 20-year MDRT member from Dallas, Texas.

Critical Illness Insurance vs. Disability Insurance

Life is good and you're on track to reach your personal and professional goals. Then the unexpected happens. You survive a critical illness or find yourself living with a life-altering disability. It happens all too often and that's why we offer two very different, but equally important, types of protection designed exclusively for legal professionals.

LAWYERS FINANCIAL

Be ready.

CRITICAL ILLNESS INSURANCE COVERAGE

- You are diagnosed with a critical illness.**
Protecting your wealth while you cope with out-of-pocket expenses becomes your biggest financial priority. Surviving a critical illness is a very positive outcome but it can often lead to unexpected and significant expenses and cause a financial burden.
- Tax-free lump sum payment**
Once you survive the required period (usually 30 days), you receive a tax-free, lump-sum payment. The money is yours to spend as you see fit.
- Peace of mind**
Surviving a critical illness may require you to make some long-term changes to your lifestyle or your home. A lump-sum payment helps you focus on your recovery and not on expenses.
- Comprehensive protection**
Critical Illness Insurance is a rider that can easily be added to your Lawyers Financial Term Life insurance policy, providing holistic protection for yourself and your loved ones.
- Continue to work and receive benefit**
Unlike Disability Insurance, a Critical Illness benefit is not tied to your income, only to your health. You can receive your benefit and also continue to work.

FACT
2 in 5 Canadians will develop cancer in their lifetime. 60% are expected to survive.¹

FACT
90% of heart attack victims and 72% of stroke victims will survive!²

Out of Province treatment

Home modification

Rehabilitation

DISABILITY INSURANCE COVERAGE

- You suffer a disability that prevents you from working.**
Income replacement becomes your biggest financial priority. Your ability to earn a living could be seriously reduced if a disability prevents you from practicing law.
- Ongoing income replacement**
Lawyers Financial Disability Insurance is designed for lawyers to replace your income for as long as it takes to get life back on track. Benefit amounts of up to \$16,000 per month.
- Peace of mind**
Your monthly Disability benefit can be used to maintain your long-term financial goals, and protect your family's lifestyle.
- Protection for the future**
The Future Increase Option (FIO) allows you to increase your coverage amount as your income increases – without the need for additional medical evidence.
- Choose your retirement age**
Many lawyers choose to work beyond the traditional retirement age. That's why we offer the option of benefits that are payable to age 65 or to age 71.

FACT
1 in 7 Canadians are currently disabled and 1 in 3 working Canadians will experience a period of disability lasting longer than 90 days during their working lives.³

Retirement

Education

Mortgage

Speak with a Lawyers Financial Advisor to determine which coverage is right for you. Find your Advisor at www.lawyersfinancial.ca or by calling 1.800.267.2242

1. Canadian Cancer Society, 2016. 2. Statistics Canada, Commissioners disability table A. 3. Heart & Stroke Foundation, 2015. Lawyers Financial products and plans are sponsored by The Canadian Bar Insurance Association (CBIA). Lawyers Financial is a trade mark of CBIA. Critical Illness and Disability insurance underwritten by The Manufacturer's Life Insurance Company (Member).

Courtesy of Lawyers Financial