

# Investor Insight

Dekker Hewett Group | Independent. Trustworthy. Experienced.

## Insurance – To Fit Your Life

Many of our clients are unaware that we are able to look after their life insurance needs, just as we deal with their investment transactions. But who better than us to act as a starting point for your protection requirements? We are already familiar with your financial and personal circumstances, and are well-positioned to extend that knowledge to insurance recommendations.

Indeed, insurance today can work well in conjunction with traditional investment programs to take advantage of certain features of insurance and tax rules. The range of innovative financial solutions which insurance can provide can be surprising. Whether it makes sense for you depends on your personal circumstances, of course. It will take an analysis of your situation by an insurance professional working in conjunction with me, your investment advisor.

### Life Insurance

Generally speaking, life insurance policies provide protection for the dependents of the insured, so that the income needs, say, of the dependents can be covered for a reasonable period if the insured should die unexpectedly. There are many ways this coverage can be obtained, including:

- **Term Insurance** – This is the logical first choice for many young people, for example. Relatively cheap, especially for the young, it is easy to tailor a term insurance strategy for specific protection during a given time period.
- **Whole Life** – A more permanent type of coverage, whole life can assist in building assets while continuing to provide life protection.
- **Universal Life** – Life insurance combined with an investment component that can provide potentially higher returns on assets, together with some attractive tax advantages and other features.

Dekker Hewett Group  
Canaccord Genuity Wealth Management  
609 Granville St., Vancouver, BC, V7Y1H2  
T: 604.699.0852  
E: [dhginfo@canaccord.com](mailto:dhginfo@canaccord.com)  
[www.dekkerhewettgroup.com](http://www.dekkerhewettgroup.com)

CANACCORD GENUITY WEALTH MANAGEMENT IS A DIVISION OF CANACCORD GENUITY CORP., MEMBER-CANADIAN INVESTOR PROTECTION FUND AND THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

This newsletter is solely the work of the author for the private information of clients. Although the author is a registered Investment Advisor at Canaccord Genuity Corp., this is not an official publication of Canaccord Genuity Corp. and the author is not a Canaccord Genuity Corp. analyst. The views (including any recommendation) expressed in this newsletter are those of the author alone, and are not necessarily those of Canaccord Genuity Corp. The information contained in this newsletter is drawn from sources believed to be reliable, but the accuracy and completeness of the information is not guaranteed, nor in providing it do the author or Canaccord Genuity Corp. assume any liability. This information is given as of the date appearing on this newsletter, and neither the author nor Canaccord Genuity Corp. assume any obligation to update the information or advise on further developments relating to information provided herein. This newsletter is intended for distribution in those jurisdictions where both the author and Canaccord Genuity Corp. are registered to do business in securities. Any distribution or dissemination of this newsletter in any other jurisdiction is prohibited. The holdings of the author, Canaccord Genuity Corp., its affiliated companies and holdings of their respective directors, officers and employees and companies with which they are associated may, from time to time, include the securities mentioned in this newsletter.

The preceding information is for general information only and does not constitute tax advice. All investors should consult with a qualified tax accountant.  
Tax & Estate advice offered through Canaccord Genuity Wealth & Estate Planning Services.

FOR DISTRIBUTION IN CANADA ONLY

“ Insurance today can work well in conjunction with traditional investment programs to take advantage of certain features of insurance and tax rules”

### Disability Protection

Much valuable work of insurance agents today is to provide for the possibility that income will be interrupted by illness or accident.

- **Disability Insurance** — The insured does not die, but can no longer work at his or her usual profession. Disability coverage provides income support to meet ongoing obligations. Disability insurance in some form may be offered by employers as part of their benefits packages.
- **Critical Illness Insurance** — Generally, critical illness insurance pays out a lump sum benefit upon being diagnosed with certain serious diseases such as cancer. Critical illness insurance can usually be purchased for differing amounts of payout. An extra-cost feature that may be considered is a “return of premium” where monies paid into a policy can be returned if the insured remains healthy over the life of the policy.

### Estate and Tax Planning

Potential tax liabilities are often a catalyst to buying insurance. Here are some typical situations where insurance may be of assistance:

- **Providing a substantial bequest to charity.** A life insurance policy with the charity named as beneficiary may be a simple way of achieving your philanthropic goal without impacting significantly on bequests to others.
- **Offsetting tax on Registered Retirement Savings Plans (RRSPs) and Registered Retirement Income Funds (RRIFs).** Where there are few other assets in an estate, an insurance policy to cover potential tax liabilities may maximize wealth transfer to other beneficiaries.
- **Offsetting tax on illiquid assets.** If you own a cottage or other vacation property that you wish to see remain in your family, an insurance policy to cover tax and other costs upon your death may make sense. Similarly, a private corporation might use insurance to ensure funds are available for tax demands that may arise on the death of the owner.