TLS Financial Services Ltd

Smart Wealth Management

# SMART ESTATE STRATEGIES

## TRANSGENERATIONAL INSURANCE STRATEGY


NEWSLETTER - ISSUE 7 - JUL 2015

WELCOME TO OUR CONTINUING SERIES OF NEWSLETTERS ON SMART ESTATE STRATEGIES OR SES FOR SHORT.

SES ENHANCE AND EXPEDITE THE SETTLEMENT OF YOUR ESTATE AND PROVIDE YOU WITH FINANCIAL, TAX AND LIFESTYLE BENEFITS.

# TRANSGENERATIONAL **PROGRAMME**

## INSURANCE STRATEGY

No one wants to think of their children pre-deceasing them or becoming terminally ill, however the consequences of ignoring this possibility could have serious financial implications on your current or planned retirement.

IF YOU HAVE OR WILL HAVE ADULT CHILDREN ASK YOURSELF (AND THEM) WHAT WOULD HAPPEN IF THEY PRE-DECEASE YOU OR BECOME TERMINALLY ILL.

Many young families today are burdened with financial obligations and do not carry sufficient Life or Illness Insurance to support their families if they die unexpectedly.

### WILL YOU BE THERE TO PROVIDE THE SURVIVORS OF YOUR EXTENDED FAMILY, CHILDREN AND GRANDCHILDREN, WITH FINANCIAL ASSISTANCE IF REQUIRED?

**If the answer is yes**, this situation could represent a significant and long term drain on your financial resources.

**The solution**, which can be structured at virtually no cost to you, is found through a simple yet effective solution called **Transgenerational Life Insurance**.

Take a few minutes to read the following real life implementation of this strategy.

# TRANSGENERATIONAL **INSURANCE**

## CASE STUDY

A new client that attended my Estate Seminar implemented a Transgenerational Insurance Strategy to address his situation as detailed below:

1. The client’s daughter and her husband are raising a young family - they have a sizeable mortgage and debt with very little life insurance.
2. If his daughter were to die or become terminally ill prematurely, our client would likely have to provide financial support to her surviving family.
3. Transgenerational Insurance protected our client and his daughter’s family from the financial risk of her premature death or illness **at no cost to our client**.
4. To accomplish this our client insured his daughter by purchasing a Life Insurance policy which would pay a lump sum amount if she dies or becomes terminally ill.
5. This lump sum amount eliminates the need for our client to use his savings to support his daughter’s surviving family in the case of her premature death or illness.
6. If the Daughter does not die prematurely, a **Tax Sheltered Cash Account** attached to the policy will quickly grow to offset and **exceed the total cost of the policy premiums**.
7. The Policy Cash Account provides significant financial resources that our client can access at any time for any purpose: holidays, education fund for Grandchildren, ehanced legacy etc.
8. If our client predeceases his daughter, she or another designated party can take over ownership and control of the policy providing continuity to his legacy.

Contact us to learn more about **Smart Estate Strategies** – you

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# ABOUT THE AUTHOR

## JOHN D. SHELLING CFP, CGA

In 1990 John created TLS Financial to provide his growing clientele of individuals, families and business owners access to comprehensive Wealth Management Strategies and Services, a practice that continues to this day. In order to provide additional resources for his clientele, John founded the JTS Financial Group, a licensed Mortgage Brokerage currently operating in B.C.

Born and raised in Chemainus B.C. on Vancouver Island, John left his small town roots to attend BCIT receiving a Scholarship for his grade point average and graduating with a Diploma of Technology in Marketing Management. After graduating from BCIT it was travel time for nearly a year throughout the South Pacific, New Zealand, Australia and Southeast Asia.

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John returned to B.C. and began his business career in retail and commercial banking before venturing into the Financial Planning industry in 1987.

While building his financial practice, John continued with his education obtaining professional designations as a Certified General Accountant (CGA) in 1987 and as a Certified Financial Planner (CFP) in 1988.

Always an Entrepreneur, John founded a Mortgage Investment Corporation that provided investors with quarterly dividend returns for over 10 years. He also co-founded and acted as a Principal of a Securities Brokerage in B.C. which was subsequently acquired by a National firm.

John currently lives in Saltair, on Vancouver Island with his wife Tracy their 2 dogs, 3 cats and tropical fish.