

This Issue: **Legacy Planning & your Investment Plan**

Do you argue with your Spouse?

By **Tim Laskey**

I do and yes, I usually lose! It's not that I'm always wrong; it's just that I never realize I'm wrong before the argument begins. Of course, my wife and I only argue on rare occasions (like Mondays) and it's always about some little detail that has no relevance in the big picture.

Here's an example.

You're home later than I expected, my wife says calmly. However, the smoke coming from her ears triggers the fire alarm in my head. Instantly, I go on the defensive.

So, I DISTINCTLY remember you asking me to pick up bread AND marshmallows, I reply. Stressing a few words to make it sound like I'm right.

Okay, before I dig myself into a hole, let's stop here and analyze my weekly mistakes.

1st) Never use the word distinctly it rhymes with extinct (which my wife may soon make me). Besides, my wife knows far bigger words than I do so I have to **keep it simple** to even have a chance to win.

2nd) My memory may be good, but it's short. I admit, marshmallow was a long shot. But if I went with my first recollection, Martians, I'd have been on the next flight to the red planet! Note to self: remember to get the grocery list **in writing!**

3rd) My view of time is completely different from my wife's. Apparently, the last 2 minutes of a football game isn't real time and I don't get 3 timeouts! Furthermore, my wife is realistic so when estimating a 25-minute task, she rounds up to 30 minutes. Like Tim the tool man Taylor, I round down to 5 minutes. Next time I'd work on establishing **common expectations** for my arrival time.

But what do my mistakes have to do with your investment plan? While arguing with your spouse can sometimes be comical, arguing about your investments is NOT. This is a volatile issue for many couples. Without an investment plan, there may be no end to your arguments and therefore, the chance of achieving your investment goal ranges from slim to none.

How will an investment plan help you?

The same 3 lessons from above apply here:

- 1. Keep it simple.** Each year the media and commercials tout the merits of a new sure-all product and investors jump on the bandwagon. After a few years, they have a closet full of K-tel specials waiting for the next garage sale. A financial advisor will help sort out this noise and build a plan that is suited to your specific needs.
- 2. Get it in writing.** Have yet to meet a person who can tell me why they made each of their investment selections. How then, can they avoid repeating past



mistakes?

An investment plan will link investment selections to your goals so you know why each selection was made. If your goals change, a quick review of the investment plan will identify the investments that need to change and those that should stay the same.

3. Establish common expectations. A well-documented investment plan allows us to review, revise and agree upon each step, before implementation. This is the best way to ensure we're all working towards the same goals.

So there you have it, my secrets to a successful investment plan and a happy marriage. Of course, my investment knowledge comes from years of training and experience, while my marriage advice comes from beer commercials. I guess I'd stick with my day job. ☺

Time for your Lube-Oil-and-Filter!

Your dentist demands it; your doctor recommends it; your car dealer reminds you of it every 3 months – it's time for your regular check-up. Why do we commit to these ritual reviews? No, it's not our desire to be poked and probed while wearing a fashionable paper bib or robe. Certainly, the need to identify and solve problems while they are small is central to our reasoning.

The same holds true for your investment plan. Unfortunately, now that the RRSP season is over, many will neglect their investment plan for the rest of the year. Yes, you've made your contribution and you're looking forward to your income tax refund. But what about your financial plan? Will you reach your goals?

Nick Murray, acclaimed financial author and former advisor, summarized planning like this: *"My experience of people with plans is that they can be induced to continue to act on the plan. Financial success is almost purely a function of acting as opposed to reacting. When I have a plan and I continue to act on it through my life ... I achieve all my financial goals."*

Planning is a process of acting – not reacting. As with your dental checkup, an annual review of your investment plan will look for any small problems that may have surfaced. If necessary, we'll implement the 3-R's on investing (Rebalance, Restructure, Repair), to nudge your investment plan back on track.

If your goals have not changed and you're following the steps outlined in your plan, you may be questioning the need for a checkup. However, external forces (market changes, interest rates, tax rules, etc) are also acting on your portfolio, and your financial advisor will determine if these are cause to implement the 3-R's.

The best news about an annual review of your investment plan is that there are no surprise repair bills. Since your investment plan is based on realistic projections and a well-diversified portfolio, you'll never hear me say, "Sorry your wing-flange (or some other previously unknown automobile part) is broken and it will cost thousands to fix it!" Only minor annual adjustments to your investment plan are required to ensure major improvements are achieved over the long run.

So, when you receive our call to book your annual review, be sure to find time for this in your busy schedule. The future you will thank you. 😊



Retire on YOUR Terms!

This pelican loved his work so much; he took up sport fishing in retirement. Having the choice to retire on your terms is the key to a successful investment plan. After all, retirement is simply a time when you can afford to do what you've always wanted to do – and not worry about getting paid to do it.

Puzzles within a Puzzle

Your Investment Plan is just one of the financial pieces addressed in our Legacy planning process. We consider each of these to be puzzles within a larger Legacy Plan. These puzzles are: Cash Management; Investment Planning; Family and Succession Planning.

As part of our annual review, we'll fine-tune your Legacy Plan and address pieces that need realignment. The key is to tackle minor issues before they become major problems that significantly impact your Legacy.

In addition to reviewing your Legacy Plan, we would like you to consider introducing us to family or colleagues who would benefit from our Legacy Planning. Because of our great relationship, we'll be pleased to help in any way we can. Simply give us a call so we can discuss our respectful approach to introductions. Your continued support of our business is appreciated!

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Our Passion...

We believe there is no greater purpose in life than to leave things better than you found them. If everyone did this, day in and day out, what a wonderful Legacy that would be. A person's Legacy can take many different forms – spending quality time with your family; building a business you can be proud of; or helping a neighbour in need. At Legacy Partners of London, we believe everyone has the potential to achieve their greater purpose and we work closely with our clients to help them Create and Conserve their Legacy.