



# For lawyers, by lawyers

CBIA Client Newsletter

Spring 2009

## The four most important ways you can protect your family

We all want to protect our loved ones from harm and help them live long and happy lives. But it can be difficult to know what steps to take to safeguard those closest to us. Here are four precautions that should top your to-do list:

- 1 **Make their well-being a priority.** It has been said that you have nothing if you don't have your health. So make sure your family eats a balanced diet, exercises regularly, has annual physicals and dental check-ups and follows doctors' advice.
- 2 **Protect their home.** Install smoke detectors, test them weekly, and replace the batteries every six months. Buy fire extinguishers and make sure everyone in your family knows how to use them. If you ask your local fire department for help inspecting your home for fire hazards, you might even prevent a fire from happening.
- 3 **Safeguard their future with life insurance.** The benefits from even a simple Term Life insurance policy can help your dependents cope if they were to lose your financial support without warning. A simple rule of thumb is to be insured for an amount that would replace your income long enough for your family to adjust. This can range from three years to ten years, or more if you have young children.
- 4 **Protect their lifestyle.** During your working years, the risk of being disabled is far greater than death. How would you and your family cope if an illness or injury permanently ended your ability to earn a living? Could you continue to afford the expenses of your home, cars and children? With the proper level of disability insurance, you and your family can be protected against the devastating effects a long-term loss of income can have on your lives.

Low cost Term Life and Disability Income Protection plans can be purchased through your Authorized CBIA Representative. Once you have taken these precautions for the sake of your family, you can be assured of making an enormous difference.

## Dealing with water damage

When it comes to property damage, water is one of the worst culprits. Whether it's a leaking roof, a sewage back-up, or simply a pinhole in a pipe, water damage can cost you a lot of money and cause you a lot of headaches.

Here are a few suggestions of what to do if you discover water damage in your home:

- Shut off any interior water source that may be causing the problem.
- Don't turn on any electrical switches until your electrical system has been checked.

## Use your tax refund to your advantage

Like many Canadians, you may receive a refund when you file your tax return. As a rule, it's a good idea to file your tax return as early as possible to get your potential refund working for you. Here are a few ideas to consider:

**Contribute to your RRSP:** Using your tax refund to make a lump-sum RRSP contribution can help you take advantage of tax-sheltered compound growth. Over time, this can give your retirement savings a big boost.

**Pay down high interest debt:** The faster you pay off debt, the faster you free up money for other things.

**Contribute to a Tax Free Savings Account (TFSA):** Like an RRSP contribution, a TFSA also takes advantage of tax sheltered growth. But unlike an RRSP you can withdraw from your TFSA tax-free.

**Chip away at your mortgage:** If your mortgage allows you to make pre-payments without penalty, applying your tax refund toward the remaining principal can potentially save you thousands of dollars in interest charges.

RRSPs and TFSAs are available through CBA Financial Services. Contact your CBIA Representative or visit [www.barfinancial.com](http://www.barfinancial.com) for more information.

**Historically low interest rates and struggling stock markets** may mean that the assumptions used to calculate your current insurance protection levels are no longer valid. This could leave you and your family dangerously under-insured. Your Authorized CBIA Representative can help you review your needs and determine whether any changes to your coverage should be made.

As well, if you've had a significant change in your life such as a change in income, job, marriage or a child, your insurance needs should be reviewed. Call your Authorized CBIA Representative for more information or visit [www.barinsurance.com](http://www.barinsurance.com).

- Open all windows in your home to help accelerate the drying process.
- Check water-soaked ceilings to ensure they won't collapse under the weight of the water. If needed, puncture holes in the ceiling to release excess water. Be ready with a bucket!
  - Remove wet carpets and contaminated materials from your home.
  - Avoid using electrical appliances, such as vacuum cleaners, to clean up water. Use a mop instead.
  - Call your insurance company to make a claim.

CBA members and law firm employees are eligible for low rates on Home insurance and Auto insurance. Please visit [www.barinsurance.com](http://www.barinsurance.com) for more information.

# Frequently Asked Questions (FAQs)

## Eligibility

### Q: Who is eligible to purchase insurance products from CBIA?

A: If you are a lawyer, a judge, a Quebec notary or a spouse or adult child of one, you are eligible to purchase most CBIA products. In addition, law firm staff and their spouses are eligible for certain products. For specific product eligibility, please visit our website at [www.barinsurance.com](http://www.barinsurance.com).

### Q: I am a lawyer considering a career change. Will I lose my Life and Disability insurance if I leave the legal profession?

A: No. Once your coverage is in place it is yours to keep, even if you leave the legal profession.

For more information on eligibility, contact your Authorized CBIA Representative or visit [www.barinsurance.com](http://www.barinsurance.com).



## Don't put off until tomorrow what you can get a tax credit for today

Canadians have a unique opportunity in 2009 to make improvements to their homes and claim a tax credit for materials and labour. In the January 2009 budget, the Federal Government revealed the Home Renovation Tax Credit.

The credit is a flat 15% of expenditures over \$1,000, up to \$10,000, for a total possible credit of \$1,350 per family.

Not everything qualifies for the credit. Routine maintenance and service contracts do not qualify. Neither does the purchase of furniture or tools. But just about any job that improves the long-term value of your home qualifies including, kitchen, bathroom and basement renovations; painting the interior or exterior of your home; installing new carpet or flooring; replacing your heating/air conditioning system; upgrading insulation; resurfacing your driveway; and replacing your lawn with new sod.

The Home Renovation Tax Credit can be coupled with other government programs too. For instance, making your home more energy efficient can qualify you for grants of up to \$5,000 under the ecoENERGY Retrofit Program, while still claiming the Home Renovation Tax Credit for the cost of installing a new furnace/air conditioner.



## After the last cigarette...

If you're a smoker, quitting is the single best thing you can do to improve your health and quality of life. Non-smokers have a much lower risk of getting dozens of smoking-related diseases and the benefits of quitting start to occur within minutes of your last cigarette.

- **Within 20 minutes:** Blood pressure and pulse return to normal.
- **Within 8 hours:** Carbon monoxide levels drop in your body. The oxygen level in your blood increases to normal.
- **Within 48 hours:** Your chances of having a heart attack start to go down and your sense of smell and taste begin to improve.
- **Within 72 hours:** Breathing becomes easier. Your bronchial tubes begin to relax and your energy level increases.
- **Within 2 weeks to 6 months:** Your blood circulation improves and your lung function increases. Coughs, wheezing and breathing problems improve.
- **Within 1 year:** Your risk of smoking-related heart attack is cut in half.
- **Within 10 years:** Your risk of dying from lung cancer is cut in half.
- **Within 15 years:** Your risk of dying from a heart attack is the same as a person who never smoked.

**After 12 months of quitting, you can apply for non-smoker insurance rates.** Non-smokers pay considerably less than smokers. For example, a 40-yr-old, male, non-smoker will pay only \$29.13/mth for \$500,000 of CBIA Term Life insurance compared to \$55.26 if the same client were a smoker.

**Quitting is hard**, but withdrawal symptoms last about a week for most people. You can cope with them by knowing what to expect and finding other ways to handle cravings before you quit. Withdrawal symptoms are a sign that your body is healing and they won't last forever. Consult your Doctor for help if you feel you can't do it alone.

## Have an insurance question?

Check our website at [www.barinsurance.com](http://www.barinsurance.com). Not only will you find detailed information about our products, but we've also included insurance needs calculators and premium comparisons. In addition, we've added an insurance education centre that will help you better understand your insurance purchase options. At CBIA, we believe an informed consumer is a wise consumer.

The Canadian Bar Insurance Association (CBIA) is a provider of quality insurance products exclusively designed for and available to members of Canada's legal community. Only CBIA Authorized Sales Representatives are able to sell you CBIA products.

**For more information about CBIA, please contact your Authorized CBIA Representative, call 1-800-267-2242 or visit us at [www.barinsurance.com](http://www.barinsurance.com).**