

Aging Your Way:
Creating an
Age-Inclusive
Canada, Together

CanAge.ca/AgingYourWay





TODAY'S TOPIC

Retiring Well: How to Protect Your Savings











HOST



CanAge.

Laura Tamblyn Watts CEO CanAge





LAURA TAMBLYN WATTS, LLB

Laura Tamblyn Watts, president and CEO of CanAge, is a highly sought after expert regarding matters involving older adults in Canada and around the world. She currently teaches at the University of Toronto, where she is also a Fellow of the Institute for Life Course and Aging.

Laura is an Executive Member of the Canadian Bar Association's National Elder Law section and a Board member of the National Initiative for the Care of the Elderly. She is also a board member of the Investment Funds Institute of Canada's (IFIC) committee on Seniors and Vulnerable Investors, PACE Independent Living, Elder Abuse Prevention Ontario, and an incoming member of the Investment Industry Regulators Organizations of Canada (IIROC).





AGENDA

- 1. Welcome & Introduction
- 2. Keynotes:
 - Laurie Campbell
 - Sara Plant
- 3. Moderated Discussion
- 4. Audience Q & A
- 5. Stay in Touch, Resources & Acknowledgements







WHO WE ARE

- **CanAge** is Canada's National Seniors' Advocacy organization.
- We are a non-partisan non-profit organization that educates, empowers and mobilizes people on the issues that matter most to older Canadians and their caregivers.
- We work to advance the rights and well-being of Canadians as we age in order to live vibrant and connected lives.



Introducing:



of Canada's Seniors.

A Roadmap to an Age-Inclusive Canada





VOICES



The 6 Compass Points of this Roadmap are:

- V Violence and Abuse Prevention
- Optimal Health and Wellness
- Infection Prevention and Disaster Response
- Caregiving, Long-Term Care, Home Care and Housing Resources
- **E** Economic Security
- Social Inclusion





VOICES



Violence & Abuse Prevention

Issue 1: Awareness

Issue 2: Resources

Issue 3: Responses

Issue 4: Research

Issue 5: Financial Institutions





VOICES



Economic Security

Issue 29: Funding Retirement in Uncertain Times

Issue 30: Protection Pensioners from Corporate Default

Issue 31: Dispute Resolution with Financial Institutions

Issue 32: Banking and Investment Sector Seniors' Reforms

Issue 33: Workforce Inclusion

Issue 34: Tax Filing for Seniors





SPEAKER





Laurie Campbell

Director of Client Financial Wellness with Bromwich and Smith





LAURIE CAMPBELL

Laurie Campbell is widely recognized as one of the nation's top experts in personal finance, credit, debt, insolvency and credit reporting and as a tireless advocate for consumer awareness and protection. Industry, government and the news media frequently seek her expertise and laud her commitment to programs and initiatives that are bringing significant positive change to Canada's financial education landscape. CanAge is proud to have Laurie as a CanAge Fellow.





SPEAKER



Sara Plant, BA (Hons), LL.B, TEP

President and CEO, Managing Director; Scotiatrust and MD Private Trust at Scotiabank



SARA PLANT, BA (Hons), LL.B, TEP

Sara leads the Trust and Estate businesses at Scotiabank/MD Financial as President and CEO for Scotiatrust and MD Private Trust. Her career began as a lawyer in private practice before joining Bank of Montreal where she spent 20 years, culminating in her role as CEO of BMO Trust Company. In 2014, Sara joined MD to lead MD Private Trust and added Scotiatrust to her mandate in 2019. She is a founding sponsor of MD's Women in Leadership Program, a member of both the Ontario Bar Association and the Society of Trust and Estate Practitioners. Sara is also a Board member of The Dorothy Ley Hospice and is a mom of two wonderful children currently in University.



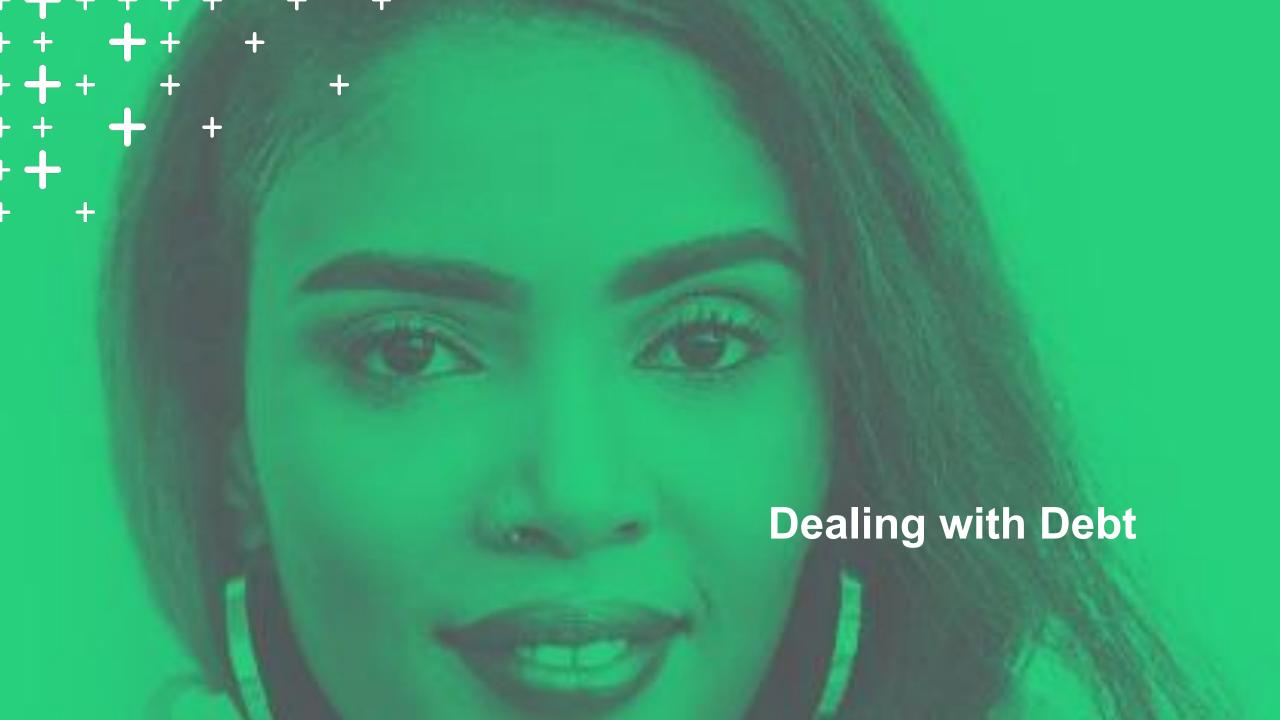
+ CanAge Retiring Well

+ smith rebuild your worth



Seven Warning Signs

- **+** Minimum Payments only
- + The Credit Card Dance
- + Family Feud
- Late Payments
- + High Interest Loans
- + Impact to Daily Living
- + Shame, Stigma & Guilt



Bankruptcy

Do Nothing

Consumer Proposal

OPD Orderly Payment of Debt Program

- + Paying your creditors (including Student Loan* and CRA*) in full over an average of 4 years
- ↓ Interest rate is kept at 5%
- + NO stay of Proceedings stops legal action garnishee orders, etc.
- + Stays on your credit report for 3 years after you have completed program

*conditions apply

Credit Counselling/Debt Management Program

- + Paying your creditors (excluding Student Loans and CRA) in full over 5 years
- → Interest rate is negotiated
- + NO Stay of Proceedings
- + Stays on your credit report for 2 years after you have completed program

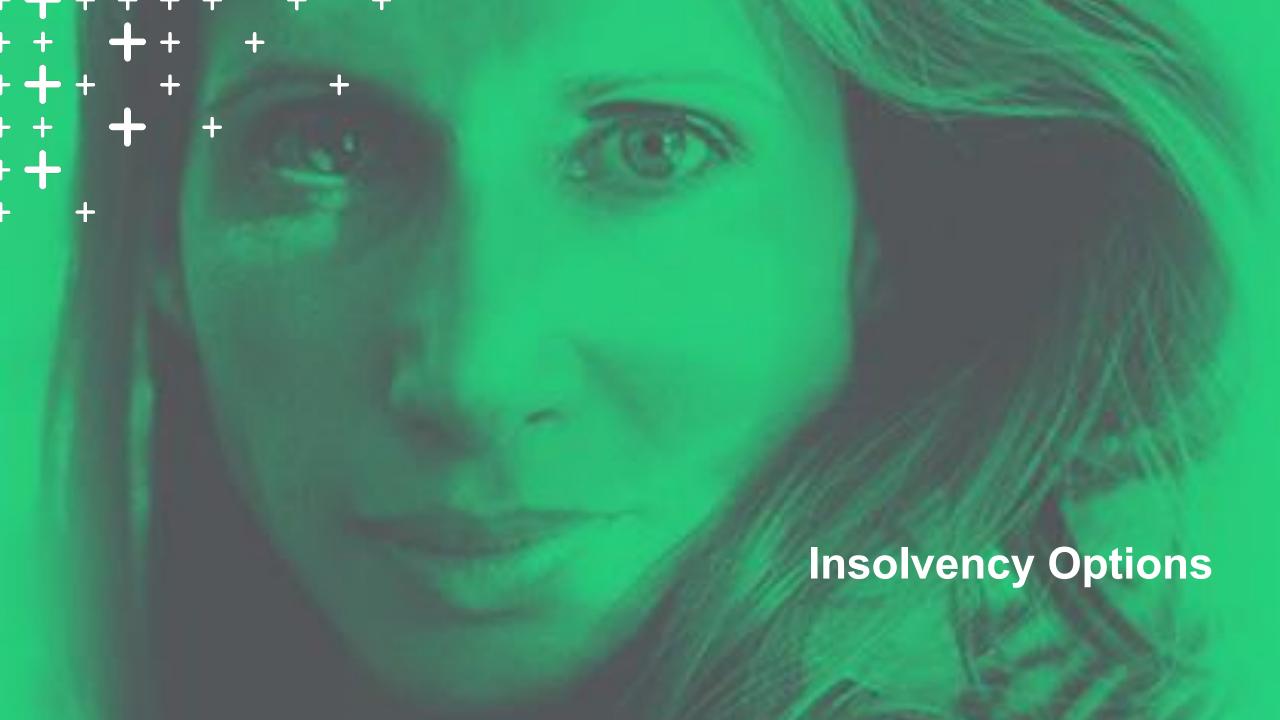
- Repayment plan of a portion of your debts, subject to creditor approval and your budget
- + Student Loan debt and CRA debt can be included -conditions apply
- No interest
- + Stay of Proceedings stops legal action garnishee orders, etc.
- **→** Must be able to make monthly payments for a minimum of three years
- Assets do not vest with the Trustee
- + Stays on your credit report for 3 years after you have completed program

Bankruptcy

- Repayment to creditors can be as little as zero
- Basic administration fees for a first-time bankrupt are \$1,611-\$1,800
- 9 monthly payments of \$179-\$200
- Stay of Proceedings stops legal action garnishee orders, etc.
- **Assets vest with the Trustee**
- Stays on your credit report for 6 years after you have completed program

Do Nothing

- + Wait until later (if nothing to lose)
- + Consider risks garnishees, seizures, etc.
- + Collection Agencies telephone calls, letters, threats, etc.





Debtor responsibilities - what happens next

Bankruptcy



- Bankrupts may be required to make payments to their trustee for distribution to their creditors, and provide monthly proof of their net household income, both part of their "duties" as a Bankrupt.
- Attend two mandatory counseling meetings.
- Need to track their income and expenses monthly.
- Need to ensure all their taxes to date are filed.
- Assist the trustee in obtaining any documents that are required.
- In most cases, a discharge from bankruptcy will occur nine months after filing.

Consumer Proposal



- Agree to pay a fixed amount of money over a specific time period in full settlement of their debts.
- Attend two mandatory financial counseling meetings.
- If three payments are missed, the Consumer Proposal is considered "annulled." Protection is immediately lifted and the creditors have the legal right to pursue the amounts owing to them.
- When all requirements are fulfilled, a compliance certificate will be issued.



Dispelling Bankruptcy myths

Exempt from bankruptcy

Exempt assets

These vary by province. In Alberta:

- A single vehicle with a maximum of \$5,000 equity
- Household furniture & appliances with a liquidation value of \$4,000 (each debtor)
- Clothing & personal effects with a liquidation value of \$4,000 (each debtor)
- Tools of Trade required for income generation of \$10,000
- Equity in a Debtor's Principal Residence totaling \$40,000 (
- Life Insurance policies with a specific beneficiary (mother, father, spouse or child)
- All RRSPs, RESPs, Pensions, RDSPs

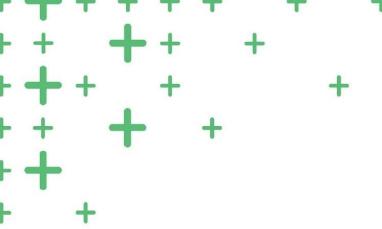
Certain debts won't go away

Section 178 Debts

Not all debts will go away in a bankruptcy or a proposal scenario, certain debts will survive.

- Fine or restitution order from a Court;
- Certain award for damages from a Court
- Debts for alimony or child support;
- Debts arising from fraud, theft, and other matters
- Obtaining property by false pretenses;
- Student loans
- The dividend that a creditor would be entitled to receive had they been aware of the bankruptcy;





+ From The Credit
Game book by
Richard Moxley

HOW LONG DOES IT STAY ON YOUR CREDIT REPORT

Type of Information	Equifax (Years)	TransUnion (Years)
Late Payments	6	6
Credit Counselling (from date of completion)	2	2
Consumer Proposal, Orderly Payments of Debts (from date of completion)	3	3
Collection, Lawsuit, Foreclosure BC, AB, SK, MB, NS, TER	6	6
Collection, Lawsuit, Foreclosure ON, QC, NB, NL	6	7
Collection, Lawsuit, Foreclosure PEI	10	7
Bankruptcy (from date of discharge) BC, AB, SK, MB, NS, TER	6	6
Bankruptcy (from date of discharge) ON, QC, NB, PE, NL	6	7

What about credit rating?

- Orderly Payment of Debts, R7, remains for 3 years AFTER completion (24-60 months)
- + Consumer Proposal, R7, remains for 3 years AFTER completion (24-60 months)
- +Bankruptcy, R9, remains for 6 years AFTER completion (9 months)
- → No matter which option your client chooses, they can get best rates and fees within 2 years of discharge or completion with the right help. We partner with credit rebuilding firms that are reputable.

What are my options?

Programs/ Options	Do Nothing	Orderly Payment of Debt Program ODP	Credit Counselling	Consumer Proposal	Bankruptcy
Access	N/A	Money Mentors AB SK NS only	Non-Profit organizations in each city (Eg: Credit Canada,Credit Counselling Society)	Licensed Insolvency Trustees LIT ONLY	Licensed Insolvency Trustees LIT ONLY
Affordability		No up front fees Payment terms negotiated Budget driven 15% of payments paid to Money Mentors as a levy	\$75 up front fee Budget driven 10% of payments cover costs up to a maximum of \$75/month	Budget driven No up front fee 20% of payments cover costs, as legislated by the Office of Super Intendent of Bankruptcy	Budget and guidelines driven No up front fees Up to \$200/month (\$179 at Bromwich+Smith)
Amount/Type of Debt		100% repayment of all unsecured debts	100% repayment of all unsecured debts	A portion of total unsecured debts repaid	Discharge of unsecured debts
Asset Protection	Risk garnishee, judgement, lien or seizure of assets	Assets not affected, Legal Stay of Proceedings legally stops garnishees and contact from creditors	Assets not affected, NO legal protection from garnishees and contact from creditors	Legal Stay of Proceedings stops creditors from garnishee, stops creditors from contacting, stops legal judgements Seize or Sue or both depending on type of credit and province	Legal Stay of Proceedings stops creditors from garnishee, stops creditors from contacting, stops legal judgements
Duration		4 years	5 years	Up to 5 years	9 months (first time)
Impact on Credit Report	Collections/judge ments/lates R9 and will remain for 7 years	R7 rating Remains for 3 years AFTER completion of program	R7 rating Remains for 3 years AFTER completion of program	R7 Remains for 3 years AFTER completion of program	R9 Remains for 6 years after discharge
Default		No protection or other options offered	No protection or other options offered	Null & void Transfer to Bankruptcy	Delay discharge Not be discharged

The Role of a LIT

- **LIT** does not work for either party works for community
- + As an Officer of the Court, LIT must comply with the BIA, its Rules, the Directives of the Office of the Superintendent of Bankruptcy (OSB), and Orders of the Court.
- + LITs role can change and evolve within the relationship of debtor and creditors



Unscrupulous Players

- + Some companies that are not LITs advertise Consumer Proposals and source clients to file a Consumer Proposal with a specific LIT that they have a relationship with.
- + They charge people money up front and continue to collect money after filing the proposal has been filed.
- → The money being paid to the non-LIT can (and arguably) should be part of the funds that the debtor pays into the proposal (as they can afford it, and often believe that it is a requirement of the proposal)
- The LIT is required by Rule 44 to not allow these relationships to impair their professional judgement, and must disclose the relationship to the Regulator for each estate
- + The payment being made to the non-LIT should show up on the debtor's budget (Form 65)
- As a creditor you can refuse to accept any proposal where this relationship has been established with a non-LIT, and/or you can have the LIT replaced at a meeting of creditors
- + Additionally you can <u>make a complaint</u> to the Office of the Superintendent of Bankruptcy regarding the company and the LIT's relationship.



ESTATE PRESERVATION AND TRANSFER

Sara Plant

President and CEO, Managing Director; Scotiatrust and MD Private Trust at Scotiabank



3 Key Elements of Successful Estate Preservation and Transfer



- An estate plan a current Will, Power of Attorney for Property and for Personal Care;
- 2. The most suitable Executor and personal representatives; and
- 3. A discussion with your loved ones about your wishes and plans.

Visit CanAge.ca/AgingYourWay to register





UPCOMING: live & online TALKS

- July 20, 1-2pm ET
 Talk #6: Fighting Fraud
- September 21, 1-2pm ET
 Talk #7: Using Technology
 to Fight Dementia
- October 26, 1-2pm ET
 Talk #8: Caregiver Survival
 Guide

- November 23, 1-2pm ET
 Talk #9: Fake News:

 Identify and Ignore
- December 14, 1-2pm ET
 Talk #10: Cannabis and
 Older Adults



Educational Speaker Series

Fighting Fraud: Avoiding Scams

July 20, 2021 1-2 pm ET

Free to attend!
Register today:
CanAge.ca/AgingYourWay







RESOURCES

Visit CanAge.ca/AgingYourWay for resources from today's presentation

Download our other resources at CanAge.ca/Resources

Available at CanAge.ca/AgingYourWay





WATCH PAST TALKS



- 1. Adult Vaccinations:
 Which ones to get and why?
- 2. Using Technology to Stay Connected
- 3. Stop the Stigma: Ageism
- 4. Power of Attorney 101

A recording of today's webinar will be available here at a later date





GET IN TOUCH

- 1 Visit our website CanAge.ca
- **CanAge Connections**Our monthly newsletter

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3 Follow us on social media



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4 Become a FREE CanAge member

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