

# A Husband's Point Of View



**A.M.H. Financial Services**



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## ***On the Lighter Side***

Our neighbour dug a hole in our garden and filled it with water . . . . I think he meant well.

Did you hear about the piano that got run over? It was a little flat.

How does a penguin build its house? Igloos it together.

Did you hear about the silkworm racetrack they're building across town? It almost ends in a tie.

I decided to sell my vacuum cleaner. It was just collecting dust.

Life insurance offers financial protection for your loved ones in the event that you die unexpectedly. Since the pandemic became world news, you may have begun to consider the necessity of purchasing a life insurance policy or are wondering how news of the outbreak might shape the policy you already have.

You can rest assured that if you already have an active policy in place and die because of COVID, your family will still receive the death benefit, even if you had knowingly traveled to areas with a known disease outbreak. Essentially, life insurance covers pandemics, assuming you were truthful about your travel plans and exposure to illness during the application process.

Likewise, if you die from a pandemic disease or travel to a country with a CDC COVID-19 travel alert, life insurance companies can't deny your family the death benefit.

While some life insurance policies have exclusions for specific causes of death — like if you were to die while doing a high-risk activity or in an act of war, there is no pandemic exclusion for life insurance.

However, if you are currently going through the life insurance application process or you recently purchased your life insurance policy, the outbreak of a pandemic can have an effect on your application and your policy.

If you were to contract the coronavirus and it caused long-term impact on your overall health before you applied for life insurance, you might end up receiving a lower health classification and a costlier life insurance policy.

For the most part, however, if you get ill, make a full recovery, and later apply for life insurance, you can expect that the price difference in life insurance premiums will be minimal.

If you do not have a life insurance and are healthy now is the time to look at purchasing life insurance. Then if you do get exposed to the virus and get ill, and in the unfortunate circumstance if you should pass away, then your family and loved ones will have the life insurance money to help them through that very difficult time.

While some life insurance companies have changed their approach to life insurance applications in response to the COVID-19 outbreak, I can and will work with you to compare companies and find the right one to work with your individual circumstance.

**For more information on life insurance and/or to get a quote call me today (780) 425-4058.**

## Life Insurance During a Pandemic



**Leave your loved ones with solutions not problems!**



Of all the things people have been asked to deal with during this unprecedented time in history, perhaps the most difficult has been the unrelenting uncertainty. To those of us in the life insurance business, this concept shakes us to our core. Our mission is to give people the tools they need to provide security for their families, to give them a solid foundation to stand on. Like all of you, we're taking hold of the things we can control, providing guidance and assurance where we can, and working together to pull through.

You probably have life insurance questions, now more than ever. While we may not be able to provide definitive answers, we can ensure that the information we do have is open and available. So while the social, financial and personal impacts of COVID-19 are still emerging, much of the world continues to exist under strict regulations, and healthcare providers are stretched to their limits, we're here to help provide whatever answers we can.

The COVID-19 mortality rates being reported daily have people understandably concerned about not only their own health and wellness, but the care and safety of those they may leave behind in the (hopefully unlikely) case they succumb to the virus. The key question is whether such a sudden worldwide pandemic is even covered under most policies. The short answer is yes. But there are possible exceptions to take into account.

If you are already enrolled in a policy and pay your premiums, the pandemic won't affect your rates or coverage. Even if you've traveled recently or have been exposed to someone with the virus, life insurance companies can't change your health classification or rates on an active policy. Likewise, if you were to die from the virus, life insurance providers could not deny your family benefits.

A survey of U.S. and Canada-based companies by life insurance association LIMRA found that the majority do not anticipate any widespread changes to company policy in the wake of COVID-19. However, the circumstances seem to be shifting daily, and as new information comes to light, adjustments may still be made. Unfortunately, this brings us back to uncertainty. The situation itself is still developing, and insurers are doing their best to act on the most up-to-date information.

If you're in a situation where you don't currently have life insurance and recent events have urged you to look into coverage, then you should be aware of some factors that may impact your application and approval process.

Health and medical history have always been determining factors when it comes to policy premiums for life insurance. Anytime there is a condition that raises an individual's mortality risk at the time of application, it will result in higher premiums because this places you in a higher risk bracket. Like other medical diagnoses, the severity of your illness is also taken into account. Here, the specter of uncertainty again raises its head. We're still discovering the long-term health impact of COVID-19, even in the cases where the people recover, so there could be further reevaluation of policies.

Comparing COVID-19 to the flu isn't a fair or accurate comparison, either. Simply contracting the flu doesn't cause price hikes in life insurance premiums, unless it results in lasting health issues. Should you contract COVID-19, make a complete recovery, and then apply for life insurance, you shouldn't expect to be placed in a higher risk bracket (and thus face higher premiums) if you are in good health at the time of application.

Nearly everyone will experience some financial impact from this crisis, and life insurance will help protect you and your loved ones in the near and long term. And know that everyone is trying to navigate these unusual times as best they can. We may not have all the answers, but we're doing what we can to get them. If nothing else, of that we are 100% certain.

## ***Top 10 Most Common Financial Mistakes***

Let's take a look at some of the most common financial mistakes that often lead people to major economic hardship. Even if you're already facing financial difficulties, steering clear of these mistakes could be the key to survival.

### **Excessive/Frivolous Spending**

Great fortunes are often lost one dollar at a time. It may not seem like a big deal when you pick up that double-mocha cappuccino, stop for a pack of cigarettes, have dinner out or order that pay-per-view movie, but every little item adds up. Just \$25 per week spent on dining out costs you \$1,300 per year, which could go toward an extra mortgage payment or a number of extra car payments.

### **Never-Ending Payments**

Ask yourself if you really need items that keep you paying every month, year after year. Things like cable television, music services or fancy gym memberships can force you to pay unceasingly but leave you owning nothing. When money is tight, or you just want to save more, creating a leaner lifestyle can go a long way to fattening your savings and cushioning yourself from financial hardship.

### **Living on Borrowed Money**

Using credit cards to buy essentials has become somewhat normal. But even if an ever-increasing number of consumers are willing to pay double-digit interest rates on gasoline, groceries and a host of other items that are gone long before the bill is paid in full, don't be one of them. Credit card interest rates make the price of the charged items a great deal more expensive. Depending on credit also makes it more likely that you'll spend more than you earn.

### **Buying a New Car**

Millions of new cars are sold each year, although few buyers can afford to pay for them in cash. However, the inability to pay cash for a new car means an inability to afford the car. After all, being able to afford the payment is not the same as being able to afford the car. Furthermore, by borrowing money to buy a car, you are paying interest on a depreciating asset, which amplifies the difference between the value of the car and the price paid for it.

### **Spending Too Much on Your House**

When it comes to buying a house, bigger is not necessarily better. Unless you have a large family, choosing a 6,000-square-foot home will only mean more expensive taxes, maintenance, and utilities. Do you really want to put such a significant, long-term dent in your monthly budget?

### **Using Home Equity Like a Piggy Bank**

Your home is your castle. Refinancing and taking cash out on it means giving away ownership to someone else. It also costs you thousands of dollars in interest and fees. Smart homeowners want to build equity, not make payments in perpetuity. In addition, you'll end up paying way more for your home than it's worth, which virtually ensures that you won't come out on top when you decide to sell.

### **Living Paycheck to Paycheck**

The cumulative result of overspending puts people into a precarious position – one in which they need every dime they earn and one missed paycheck would be disastrous. Keep three months' worth of expenses in an account where you can access it quickly. Loss of employment, pandemics or changes in the economy could drain your savings and place you in a cycle of debt paying for debt. A three-month buffer could be the between keeping or losing your house.

### **Not Investing**

If you do not get your money working for you in the markets or through other income-producing investments, you cannot stop working - ever. Making monthly contributions to designated retirement accounts is essential for a comfortable retirement. Take advantage of tax-deferred retirement accounts and/or your employer-sponsored plan. Understand the time your investments will have to grow and how much risk you can tolerate.

### **Paying Off Debt With Savings**

You may be thinking that if your debt is costing 19% and your retirement account is making 7%, swapping the retirement for the debt means you will be pocketing the difference. But it's not that simple. In addition to losing the power of compounding, it's very hard to pay back those retirement funds, and you could be hit with hefty fees.

### **Not Having a Plan**

Your financial future depends on what is going on right now. People spend countless hours watching TV or scrolling through their social media feeds, but setting aside two hours a week for their finances is out of the question. You need to know where you are going. Make spending some time planning your finances a priority.

**Financial Advisor  
Since 1976**



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Take a look at our website!

**[www.amhfinancial.ca](http://www.amhfinancial.ca)**

AMH Financial Services is a full-service firm. We offer services to help you examine your financial goals and select the options that will best suit your needs, timeframe and investment style. We believe in helping you create a comprehensive financial plan for your family that includes planning, insurance and portfolio management.

**MY COMMITMENT AS A FINANCIAL ADVISOR IS TO HELP PEOPLE TO REACH THEIR FINANCIAL GOALS. IF YOU HAVE A FAMILY MEMBER, FRIEND OR COLLEAGUE WHO YOU FEEL COULD BENEFIT FROM A CONVERSATION WITH ME, I WOULD BE PLEASED TO SPEAK WITH THEM WITHOUT OBLIGATION.**

I believe that every individual has an unalienable right to make the best and most effective use of hard-earned income, to have easy access to up-to-date and informed advice, and to be able to provide for short and long-term requirements.

I am committed to serving the individual customer with investment and financial portfolios which will meet current needs and provide for future requirements and situations.



My mission is to help you to make an educated decision that you are comfortable with!



## **GUARANTEED ISSUE LIFE INSURANCE**

*Have you been denied Life Insurance?*

With Guaranteed Life Insurance you will not be turned down for coverage regardless of health condition. It is a simple, permanent insurance solution designed to meet the insurance needs of the most challenging applicants. Regardless of your medical condition or if you have previously been declined for life insurance, you are eligible for this plan.

During the coronavirus pandemic and physical distancing measures, it can be challenging to apply for traditional life insurance. However, you can apply for this life insurance conveniently in the comfort of your own home without the need for a doctor's visit or a medical exam.

**Call (780) 425-4058**