



Personal Insurance



Commercial Insurance



Personal Asset Management

SUMMER ISSUE 2011

Scrivens
Family of Companies
SINCE 1930

Your Insurance and Financial Specialists

FAMILY MATTERS

NEWSLETTER

THE SCRIVENS PERSPECTIVE

BY PETER SCRIVENS, PRESIDENT



At Scrivens we take a lot of pride in reviewing and updating the range of services we provide to meet the ever-evolving needs of our clients. We're especially pleased

that our providers share that attitude.

For a great example, I urge all of our commercial insurance clients to read the lead story on this page. In it we introduce an entirely new product: legal expense insurance. It's comprehensive, easy to understand and timely coverage for business owners. For more information on how it works, check out Ole Jensen's Commercial Insurance column on Page 3.

With gas prices once again reaching for record highs, I'm sure that many of you are considering staying close to home this summer. For you, we have our usual listing of summer activities in the Ottawa area—all family-oriented and most of them free. Like last year, we've focused primarily on dates, locations and contact information, as you're likely familiar with most of these attractions.

Gas prices may be rising, but most experts agree that interest rates are likely to follow. I urge you to spend some time reading the newly renamed Wealth Management column on page 3 to see what you can do to prepare for when they do start to increase.

From all of us here at Scrivens, have a safe and happy summer season. [S](#)

Legal expense insurance now available through Scrivens

In May 2009, the owner of a Toronto retail store was arrested for apprehending a known shoplifter. To many, he was a hero—but under the law, he was a criminal. While the charges were eventually dismissed, the trial was estimated to have cost as much as \$50,000.

This is just one real-life example of how businesses can find themselves unexpectedly embroiled in a legal dispute. Legislation is constantly being reviewed and updated, and it can be difficult for owners and managers to keep up. And as we know, ignorance of the law is no excuse.

When a dispute arises, the last thing you want is to be burdened with hefty legal fees. And, until recently, there was no insurance coverage available to help cover the costs of pursuing or defending a case. Now, thanks to DAS, that coverage is available.

With more than 80 years of experience in 18 countries, DAS is the pioneer and global market leader in legal expense insurance (LEI). At Scrivens, we are pleased to announce our new partnership with DAS and the addition to the range of coverage we provide. The DAS*business* policy will help protect our commercial clients against the high costs of litigation.

The policy is mainly geared toward small to medium-sized businesses, as they are unlikely to have a dedicated in-house legal and/or human resources team fully aware of the rapidly changing laws and regulations. Policies are calculated based on payroll and revenue, and provide coverage of up to \$200,000 on a single claim and up to \$1 million per year.

To find out what a DAS*business* policy covers, see the Commercial Insurance column on page 3. [S](#)

Summer hours

We're back on our summer hours at Scrivens: from 8 a.m. to 5 p.m. Monday to Thursday, and 8 a.m. to 4 p.m. on Fridays. Regular hours resume after the Labour Day weekend. [S](#)



INSIDE MATTERS

INTEREST RATE READINESS
WHEN THE LOAN IS PAID
CLIENT PROFILE



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 **FundEX**
INVESTMENTS INC.



CLIENT PROFILE

A family business with a professional attitude



The company's motto—"Our Family Serving Your Family"—describes Hulse, Playfair and McGarry perfectly. Perfectly, but not completely.

That's because in addition to the company's extraordinary commitment to personal client care and attention, and the fact that it's family-owned and operated (and has been for more than 85 years), Hulse, Playfair & McGarry is just as committed to providing the highest level of professional service. Together, those commitments have earned the company an ever-expanding list of accolades from organizations like the Better Business Bureau and the Ottawa Chamber of Commerce.

"We understand our community because we're active in our community," says COO Patrick McGarry. "In fact, we encourage our employees to participate in community activities and events.

Not only is it gratifying to support our local community, but it gives people the opportunity to discover who we are and what we represent. And it allows us to better understand and appreciate the community in which we live and work."

The McGarrys—in addition to Patrick, Brian and Sharon McGarry—are part of the management team who assist more than 1,500 families annually. They currently operate five full-service funeral and cremation centers in Ottawa and the Outaouais. Expansion plans include locations in Barrhaven, Kemptville, Kanata and Cumberland.

Their services aren't restricted to after-death planning, Patrick explains: "We're here to help at every stage of the process by offering a continual care program and complimentary seminars on funeral planning, cremation and even executor responsibilities."

While the company will obviously continue to expand, Patrick says the commitment to personal service is here to stay. "Because we're locally owned and operated, all decisions are made here.

And because we're so involved in the community, those decisions are always based on what's best for families in the community," he says.

The company's team of 54 dedicated and licensed funeral directors and support staff carry out those decisions on a daily basis. As well as being actively involved locally, most belong to professional associations and some are even active in local government. All draw on their varied experiences to alleviate the stress that families deal with at a particularly difficult time of life.

Patrick sums up the Hulse, Playfair and McGarry philosophy: "Our family is here to provide your family warmth and comfort when you need it most. Along with that personal attention, you get professional service."

It's the combination that every client can rely on for support. **S**

Funeral and Cremation Services
McGarry Family Chapels
Hulse, Playfair & McGarry
Services funéraires et de crémation

CONTEST WIN PUTS HEATHER ON TOP OF THE WORLD

After winning 50,000 air miles in our **Why It Is Unique to Be 50** contest, Ottawa's Heather Macfaden took the first step to achieving a lofty goal: climbing the highest mountain in each continent while helping disadvantaged people—especially children—in those regions. Her first stop was Lusaka, Zambia, where she climbed Kilimanjaro, the highest mountain in Africa, then visited an AIDS orphanage.

"While there, I got to visit with a young girl that I've been helping to support," Heather says. "The nuns at the orphanage provide a good education and better future for the 60 girls in their care."

Heather expresses her thanks to the *Scrivens Family of Companies* as well as the other partners in the contest, Western Assurance and Air Miles. "You've made a dream come true," she says.





RISK MANAGEMENT / COMMERCIAL INSURANCE

DASbusiness POLICY PROVIDES COMPREHENSIVE COVERAGE



Like all DAS legal protection products, the DASbusiness policy covers lawyers' fees, as well as disbursements such as medical reports, expert witness fees and court costs. In addition, policyholders have the advantage of unlimited access to a Legal Advice Helpline for all business-related matters.

As well, should a judge find in the other party's favour, a DAS policy will pay any adverse costs that party is awarded. If you win, unlike a typical successful case in which the lawyer would receive a portion of the damages awarded, as an LEI policyholder you are entitled to the whole sum.

DASbusiness provides an umbrella against risks such as:

- Employment disputes: defence against wrongful dismissal charges, discrimination.
- Tax protection: according to the Canadian Tax Audit Protection Plan, the odds of a small business being audited by the Canada Revenue Agency are 1 in 100. A DASbusiness policy will pay your legal costs, including an accountant's fees, with respect to a tax appeal or tax audit relating to liability for income tax, GST, PST or HST arising from a business operation.
- Contract dispute and debt recovery: coverage for your legal costs of pursuing or defending your rights in a contractual dispute relating to the sale, purchase, lease or rental of goods, or the provision of services.
- Additional insured events: these include legal defence (both criminal and statutory), statutory license protection, property protection and bodily injury.

In *The Globe and Mail* recently, Chief Justice Beverley McLachlan of the Supreme Court of Canada said: "...the middle class cannot hope to pay legal fees that average \$338 per hour, leaving them little option but to represent themselves in court or go away empty-handed." A DASbusiness policy is a cost-effective solution for protecting your business against the unwanted cost of a potential legal dispute.

For more information, call Ole Jensen at 613-236-9101. [S](#)

WEALTH MANAGEMENT

MAKE SURE YOUR PORTFOLIO IS READY WHEN INTEREST RATES RISE



When I began in the financial services industry, you could get a savings account that paid 17% interest (I'll leave it to you to figure out how old that makes me). Since then interest rates have, for the most part, fallen.

Rates will likely rise in the short to medium term—though when, and by how much, no one knows. Still, as an investor, you need to plan now for the impact that rising rates will have on your portfolio.

For GICs, the implication is obvious: higher rates mean higher returns on any new money you invest. For marketable fixed income investments, such as bond funds, the implications are varied. The general rule is that when interest rates rise, the price on marketable bonds falls. Also, the price on longer term bonds will tend to fall more than on shorter term ones.

Rest assured that even if the market price of bonds falls, they still pay their coupon interest payments. Also, as bonds mature within a bond fund, the maturing proceeds are re-invested at the new higher rates. So while it is possible for a conventional bond fund to post negative returns over a short period of time, the situation generally works itself out in the medium term.

Not all bonds will follow this "interest rate rule" to the same degree. Some, like floating rate loans, corporate bonds and real return bonds, have features that may reduce or even offset the negative effects of rising rates. Since we can't be certain about the future of interest rates, we advise maintaining a level of diversification on the fixed income side of your portfolio that reflects your personal risk tolerance.

If you feel that rates will rise, suggestions for the fixed income portion of your portfolio would include: emphasizing shorter term bonds, having a GIC component (for guaranteed positive returns), and having a degree of exposure to corporate and real return bonds as well as to floating rate loans.

The conclusion? "Fixed income" is not always fixed.

To ensure that appropriate strategies are in place for your portfolio, call Ken or Dave at 613-236-9101 for portfolio review. [S](#)

PERSONAL INSURANCE

ACTION TO TAKE WHEN YOUR LOAN OR MORTGAGE IS PAID OFF



Larger purchases, like homes or vehicles, are generally financed over a period of time. While the loan or mortgage is active, the name and address of the financial institution is listed on your insurance policy. That's because financiers require that "proof of insurance" on the loan be mailed to them annually. They want to be sure that their interests are protected in the event of a claim.

When financing is complete, the financial institution no longer needs to be listed on your insurance policy. Therefore, it can and should be removed from your policy. We're your insurer, not your financier, so we aren't told when your loan or mortgage is paid off. That means it's up to you to make sure this happens.

When your loan is paid off, you should receive a release letter from your financial institution stating that it is releasing all interest in the property or vehicle. That release letter is your proof that the loan has been repaid in full. Once you receive the release letter, send a copy to us and we'll amend your policy accordingly. If for some reason you no longer have the release letter, you should call your broker immediately.

A final suggestion: we suggest that you review your policy each year to see if the mortgage or lienholder's interest has changed or ended. If it has, contact your broker.

For more information, call Jennifer Falconer at 613-236-9101. [S](#)



THIS SUMMER, BE A TOURIST RIGHT HERE IN OTTAWA

Tourists visit Ottawa for our city's history, natural beauty and wide selection of fairs and festivals. If the pain at the gas pumps is too much to bear this summer, we suggest you join them. Here's a small selection of what you'll find:

THE NEW OTTAWA CONVENTION CENTRE

It's not a typical destination, but Ottawa's bold new convention centre is certainly worth the visit. Built on the site of the former Ottawa Congress Centre, overlooking the Rideau Canal, the environmentally friendly centre is comprised largely of recycled materials and organic compounds. But it's just as impressive for its unique design and spectacular views.

THE RIDEAU CANAL

Speaking of the new convention centre, there's probably no better vantage point from which to view the Rideau Canal, a National Historic Site of Canada and a UNESCO World Heritage Site. The natural light provided by the centre's seven-storey-high windows offers a magnificent view of the canal and the many boats that pass through over the summer.

LET THERE BE MUSIC

There's something to satisfy every musical taste in Ottawa this summer. Here's a small selection:

- The **TD Ottawa International Jazz Festival** never disappoints, offering musical styles to please any aficionado.

This year's festival runs from June 23–July 3 at Confederation Park and other locations. For more information, call 613-241-2633 or 888-226-4495, or visit www.ottawajazzfestival.com.

- The **Unisong Choir Festival** runs from June 28–July 2 at the National Arts Centre. Enjoy free choral concerts by 12 Unisong Choirs representing several provinces and territories. For more information, call 613-234-3360 or visit www.ottawafestivals.ca.
- One of the world's largest international music events, with over 220 musical acts, the **Cisco Ottawa Bluesfest** attracts more than 300,000 fans each year. This year's action is at LeBreton Flats from July 5–17. For more information, call 613-247-1148 or 866-258-3748, or visit www.ottawabluesfest.ca.

WISH UPON A STAR

Explore the night sky with telescopes and binoculars in a free star-gazing party at the Canadian Science and Technology Museum on July 8. Phone 613-991-3053 or 866-442-4416, or visit www.sciencetech.technomuses.ca for times and more information.

Lunch & Learns

Like many of you (most, we hope), our *Lunch & Learn* program is taking the summer off. Our next session will be on Tuesday, Sept. 20, when Alex Goldmaker from Standard Life will describe a new way to generate lifetime income with Standard Life segregated funds. Seating is limited, so please call Ken Browness at 613-236-9101 to reserve your spot.

WORTH READING



MURDER AT THE MARGINS

BY MARSHALL JEVONS

When things don't add up, who better to call on than an economist? Author Marshall Jevons, a Harvard economist, proves that's as true in crime as it is in mathematics. His main character, Henry Spearman, uses economic reasoning to bring the bad guys to justice. *Murder at the Margins* is just one of a series of Henry Spearman novels that make for great summer reading.

Read a good book lately? Let us know and we'll tell others about it in Worth Reading.

Generic Disclaimer (mutual funds only)

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the simplified prospectus before investing. Mutual funds are not guaranteed and are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Fund values change frequently and past performance may not be repeated. Labour Sponsored Funds have tax credits that are subject to certain conditions and are generally subject to recapture, if shares are redeemed within eight years.

Personal Opinions & Recommendations Disclaimer

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SCRIVENS THANKS THE FOLLOWING COMPANIES FOR THEIR SERVICES AND SUPPORT.

