

## IAFP CASE STUDY 2021

### **Molly Maguire and Mike Tyson**

Our initial clients are Molly and Mike. After hearing about her parents' meeting with us, however, Mary and Jon want to work with us as well.

The Maguire-Tyson family are a family of entrepreneurs who live in Toronto.

Mike (age 75) sold his business a couple of years ago and there is \$2.5MM in cash now stuck in his HoldCo. They don't know what to do with the money so they invest in GIC's. They have a rental property in the HoldCo. It is worth \$2M and has an acb of \$500K. They are considering purchasing another rental property or 2 because of low-interest rates. Florida and Arizona are looking like strong options at the moment.

Molly Maguire (age 70) is a very successful real estate agent. She has no plans to retire anytime soon.

Molly has a universal life plan that she bought many years ago. She has no idea what it is or if it's worth keeping. Mike hates insurance.

He also hates thinking about death and thus has never gotten around to getting serious about a will. Molly recently convinced him to at least find an online legal will kit and do it that way. So he did. Molly has a friend who is a corporate lawyer who whipped up a will for her 10 years ago. Neither of them have Powers of Attorney.

Mike and Molly have three children.

Steve (48) is on his second marriage with a much younger June Cleaver (35). They don't have any children but her biological clock is ticking pretty loudly.

Mary (45) is married to Jon Anderson (55). Jon has a son Thomas (25) from a previous marriage who is living with them. Thomas has finished university in the US and just found a job with Apple in Cupertino, CA. Mary and Jon have 2 children together - Abigail (10) and Andy (8). Andy has Asperger's and is high functioning.

Their third child is David (42). He is in a common-law relationship with Henry James (40). They have been together for 20 years. They have a son, George (13), who is David's biological son with a surrogate.

Mike and Molly have no burning desire to leave money to their children ("they'll get what they get"). However they love their grandkids to pieces and want to make sure their education is well funded as well as a little bit after they graduate. With the way housing prices are rising, they worry that they will never be able to afford a decent place to live.

Now that they are mostly retired, the Maguire Tysons are actively involved with a local charity (and donate \$15K/yr) but there has been a lot of negative press about the misappropriation of funds/spending

## Molly and Mike's Assets

<b>Asset</b>	<b>Owner</b>	<b>Value</b>
Bank account	Joint	\$54,000
RRSP	Molly	\$550,000
RRIF	Mike	\$650,000
Home	Joint	\$2,500,000
Mike HoldCo shares (Approx)	Mike	\$4,500,000
US stocks – 1000 Shares Apple (acb \$3.03US/share)	Molly ITF George	133,000
Liabilities		None
<b>Net Worth</b>		\$8,387,000
<b>Insurance</b>		none

## Mary Tyson and Jon Anderson

Mary is also the founder and majority shareholder of a hi-tech company in the gaming space. She has brought in equity partners to be able to expand the company.

She currently draws a salary of \$200,000. She has no benefits or pension plan. Her staff of 25 has been bugging her to get at least a health plan and she doesn't know where to start. Her partners are demanding that she take risks to grow the business and thus their incomes. She wants to grow at a slower and steadier pace. There are noises that if she won't play their game, they want her out!!

Jon is a high school computer science teacher. He is obviously great with technology and loves working from home. His students also love working with him virtually. Jon doesn't see a scenario where he'll be back in school. He has a DB plan through Ontario Teacher's Pension Plan. He started teaching after working in high tech for a few years. He will have 30 years service when he is 63.

Jon spends hours a day in front of his computer and wants to retire early (age 60) because his eyes are getting worse. He has high blood pressure and since the start of COVID has been an active Skip-the-Dishes purchaser for lunches and dinners each day - for him and the kids. Mary rarely gets home before 7:00 or 8:00 at night and "doesn't eat that stuff".

Abigail and Andy are studying from home like most other kids these days. Andy is not coping well with the changes to his schedule.

The only insurance for Jon is the group coverage provided by the teachers association – both life and health benefits.

Only insurance for Mary is a \$200,000 universal life policy (with a 20-year term rider of \$300,000) she was sold 10 years ago -- she purchased it to cover her mortgage.

They both have wills from before they were married and no Powers of Attorney.

## Mary and Jon's Assets

<b>Assets</b>	<b>Owner</b>	<b>Value</b>
Bank Account	Joint	\$10,000
RRSP – invested in GICs	Mary	\$250,000
RRSP – invested in a low volatility mutual fund	Jon	\$10,000
TFSA	Mary	\$5,000
TFSA	Jon	\$10,000
Home	Joint	\$950,000
RESP		\$25,000
Mary's company shares	Mary	Unknown – maybe \$1 million
<b>Liabilities</b>		
Mortgage	Joint	(\$150,000)
<b>Net Worth</b>		\$ 2,110,000
<b>Insurance</b>		
Group insurance 2 X salary	Jon	About \$215,000
20 year term	Mary	\$200,000



Mike Tyson 75



Molly Maguire 70



Mary Tyson 45



Jon Anderson 55



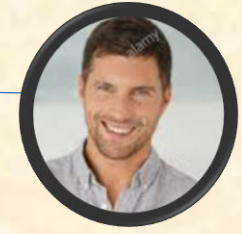
Steve Tyson 48



June Cleaver 35



David Tyson 42



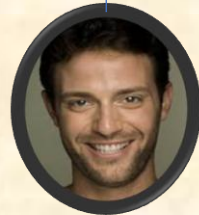
Henry James 40



Abigail 10



Andy 8



Thomas Anderson 25

# Maguire-Tyson *Family Tree*



George Tyson 13