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## Cash for Life winner calculates his golden future

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Right after Jason Lalonde won Ontario's Cash for Life lottery on the weekend, he did a little math.

And the 23-year-old apprentice plumber from Alfred quickly calculated he'd be better off taking the weekly \$2,000 cheques, rather than a \$1.35-million lump sum.

"At first people didn't believe I had won, but when my girlfriend told them the ticket read 'Life Life Life,' they didn't doubt me," he said yesterday. "My mom is really happy that I have won."

He figures that if he invests most of his tax-free winnings every week for less than 15 years, he will earn more than the lump sum.

With such a strategy in mind, Mr. Lalonde, who has been an apprentice for about a year, intends to complete his training at Algonquin College or La Cite Collegiale.

Mr. Lalonde already has a new car, so his only other major expenses would be buying a house and, perhaps, starting a plumbing business.

The apprentice at Elite Mechanical Plumbing and Heating in Hammond collected a \$20,000 cheque yesterday to cover his first 10 weeks of payments.

The winning ticket came from an \$8 lottery win at Christmas from which he bought two more tickets last week.

"I used to make roof trusses and then kitchen counters. I got into plumbing because it pays well and everybody needs a plumber. If I like plumbing, I will stick with it and if not, I will try something else."

Marc Lamontagne, a certified financial planner with Ryan Lamontagne and Associates, thinks Mr. Lalonde made the smart choice. Mr. Lamontagne said that at a conservative six-per-cent rate of return, Mr. Lalonde could receive \$1.35 million within 12 years and his earnings would keep growing thereafter.

"There are a couple of advantages in not taking the lump sum," Mr. Lamontagne said. "My concern is that young people may squander lump sums and we have seen that in the past. By going with the weekly payment, there is less of a chance that the money would be squandered. Whenever anybody gets a windfall, whether it is a lottery win or an inheritance, one of the things I usually recommend is that they postpone any large buying decisions for at least a year so they have time to get used to the money."

The two potential problems with the scenario: a change in Ontario tax law and the possibility that Mr. Lalonde might not live long enough to collect the winnings he anticipates.

While the provincial government currently pays the taxes on the winnings, that doesn't mean this will always be the case, lottery officials say.

Mr. Lamontagne suggested alternatively, Mr. Lalonde consider an inexpensive \$1-million, 20-year term life insurance policy so his estate would get a lump sum payment if he died young.

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