

Estate Planning

**A Practical Guide to
Preparing for the Future**

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WEALTH MANAGEMENT

The Estate Plan: Its Role in Protecting You and Your Family

Developing an estate plan is an important part of your overall financial plan. It is a method of ensuring that your assets are distributed according to your wishes after you die, but it also applies to your financial and other affairs should you no longer be able to act on your own behalf while you are still alive.

A well developed estate plan can help you:

- Ensure your estate is distributed the way you want
- Maximize your assets by implementing sound tax strategies
- Decrease the time, cost and effort associated with transferring your estate
- Ensure your family will be financially stable after your death
- Protect you and your family if you are unable to speak or act for yourself

An estate plan is an intensely personal task. It deals with weighty subject matter, and forces serious decisions. But the importance of an estate plan cannot be overstated. Without the careful consideration and documentation of your wishes in an estate plan, your loved ones may face emotional, financial and legal turmoil that you never intended.

Difficult Questions

An estate plan reflects your ideals and values in a very practical way. Discussing these things with your spouse or others can be a valuable way to confirm your wishes. Key questions to consider as you enter the estate planning process include:

- Who do I trust to manage my affairs when I die?
- Who would I want to look after my children?
- How would someone find my banking, investment, insurance, digital assets and tax information?
- What will my spouse/family need to be financially sustainable when I die?
- If I died tomorrow, what would my estate be worth?
- What will happen if I can no longer speak or act for myself?

These questions can require a lot of thought, and in many cases, some homework to ensure that all the information about the various elements of your estate are up to date

and easy to access. This step saves time and money as you develop your plan, and helps to decrease any confusion when your plan is being implemented.

Elements of an Estate Plan

An estate plan covers a range of personal, financial, tax and legal issues. Generally speaking, the process will involve:



- Creating/updating a will
- Assigning an executor
- Assigning powers of attorney for financial affairs and/or health and personal care
- Adding or updating life insurance and other insurance policies
- Estimating the value of your estate at death, and developing appropriate tax and investment strategies to ensure that beneficiaries aren't overly burdened with taxes
- Documenting the particulars of the various elements of your estate such as bank and investment accounts, deeds and insurance policies

Because an estate plan deals with so many important aspects of your life, it is often wise to go through the process with the help of professionals. Legal, accounting and financial planning expertise may require a small investment of time or money now, but can help to protect the beneficiaries of your estate against the hassle and expense of legal and taxation challenges later.

The toughest part of developing an estate plan is grappling with some very difficult questions. The reward is in knowing that the people you care about will be well taken care of.

Creating Your Will: Documenting How Your Estate is to be Distributed

A will can be one of the most important elements of an estate plan. It is the official document that assigns an executor of your estate (see next section), and outlines how you want your estate to be distributed. Although not mandatory, it is generally wise to have a will prepared by a lawyer to ensure that your wishes are outlined in a way that avoids unnecessary delays or costs due to misinterpretation of wording.

The traditional clauses of a will include:

- Identifying the person whose wishes are stated in the will (testator)
- Revoking all previous wills
- Naming an executor
- Authorizing debts and taxes to be paid
- Specifying the distribution of assets within the estate
- Assigning powers to the trustee
- Outlining compensation for the executor
- Describing wishes for your funeral

Additional clauses may include:

- Appointing a guardian for children under 19
- Naming a trustee to manage financial assets for children under 19
- Naming an alternate beneficiary for life insurance policies

BACK-UP

Although it's unpleasant to think of others predeceasing you, it can be very helpful to assign a back-up beneficiary for major assets to avoid unnecessary confusion or contention should the first beneficiary no longer be alive at the time of your death.

When you are developing your will, it's important to think ahead to all of the assets that you will have in your estate at the time of your death. Your home, cottage, rental properties, business assets, investments, bank accounts, life insurance policies, vehicles, artwork and jewellery are often the most financially valuable items in your estate. However, other items

like photographs or furniture or family heirlooms can sometimes cause the most contention among family members. If it's important to you that certain people receive specific items, be sure to record that within your will.

KEEPING YOUR WILL UP TO DATE

If you already have a will, it's important that it reflect your current wishes as closely as possible. If any of the following has happened since you created your will, it's probably time for an update:

- You've been married, divorced, separated or started a new relationship.
- A spouse or significant beneficiary has died.
- There has been an addition to the family such as a child or grandchild.
- Your net worth and/or assets have changed significantly.
- Your executor has had a significant change in their situation such that you are no longer comfortable leaving them in the role.
- You have changed your mind about the beneficiaries and/or distribution of assets.
- You have moved to a different province or territory and/or relevant legislation such as the Income Tax Act has changed.



Choosing Beneficiaries

Deciding how your assets will be distributed can be very difficult. Taking care of a spouse and/or children is often the most obvious factor. But life is complicated, and there are usually siblings and other family members to consider. As well, you will want to decide how assets should be distributed in the event that you or your children experience a divorce.

Beyond choosing who will be included in your will, you also need to consider how your assets will be divided. Do you want each of your children, to receive the same amount? Is there one child who doesn't need as much? Or one who is less likely to be able to manage a large sum of money? Thinking about these issues, and the tax implications of the gifts you are leaving behind, will make the transfer of your estate a much smoother process for your executor, the beneficiaries and others involved in the process.

Assigning Responsibility: Who Will Act on Your Behalf?

Naming an Executor

Naming an executor is an important part of developing your estate plan. An executor is tasked with implementing all that you have put in place in your estate plan, from arranging your funeral to managing and distributing all of your financial assets. They are essentially acting on your behalf to wrap up all of your affairs.



Because of the implications of this role, you want to choose someone you trust to perform all of the duties to ensure that your estate is managed in alignment with the wishes outlined in your will, and who will presumably still be alive after you die. A close family member such as a spouse or adult child is often chosen, but a professional executor may also be selected to relieve the burden from the family, and to guarantee that the many duties are performed correctly and in a timely manner. As with naming beneficiaries, it is a good idea to assign a back-up executor in case the primary person named is not able or willing to perform the role upon your death.



COMPENSATING YOUR EXECUTOR

The role of the executor can be very time consuming. If you do not hire a professional to perform this duty, you may want to include specific instructions on how the executor is to be compensated such as through a lump sum of money, or a percentage of the value of the estate.

Role of the Executor

The executor has a long list of duties to settle all the affairs of your estate. The typical responsibilities include:

Arranging the funeral

Directions for the funeral are not legally binding, but your executor will normally try to follow your wishes regarding a service and other funeral arrangements. It is important that you have documented and/or discussed your wishes with your executor or family to ensure they know what you want.

Managing the assets of the estate

This can include locating all bank accounts, investment accounts, property and other assets, and transferring them from your name to that of your estate.

Managing any government benefits and other sources of income

Government benefits such as CPP and OAS as well as company pensions or other sources of income need to be dealt with. Some benefits stop or are reduced upon your death, and failing to provide information about your death can result in fines, penalties or other legal issues that could disrupt your beneficiaries.

Paying off any debts or bills

Your estate cannot be distributed until your debts are paid. Your executor is responsible for paying these debts and any final bills (such as funeral bills) before proceeding with the final distribution of assets.

Filing your final tax return

Your executor will be responsible for filing your final tax return. Of course, your executor can hire an accountant to complete the return, but the executor is responsible for providing all information required.

Distributing assets to your beneficiaries

One of your executor's main roles is to ensure the accurate transfer of assets according to the instructions documented in your will. As you can see from the list above, there are many steps that need to be fulfilled before this important responsibility can be completed.

Naming a Power of Attorney

In the unfortunate event that an accident or illness spares your life but leaves you unable to act on your own behalf, you can appoint a person to act as power of attorney to make decisions and manage your affairs for you. They can be responsible for your health and personal care decisions or your financial affairs, or both. As this responsibility can potentially last for months or years, and deal with so many important issues, it is essential to consult those you would like to fill these roles, and to ensure that they are accurately identified in your Power of Attorney and Personal Directive as your spouse and/or family are not always automatically assigned this authority. As with an executor, it's also a good idea to name a back up person to perform these duties.

Power Of Attorney (Assets And Financial)

If you are unable to speak or act for yourself, your power of attorney can step in to manage things for as long as you are incapacitated. In Nova Scotia, the document that confirms this appointment is called the Enduring Power of Attorney. Duties may likely include things like paying bills, applying for health insurance benefits or government disability benefits for short-term health conditions, and halting automatic savings payments. For conditions that are more permanent, this may include things like selling property and filing taxes. The role of the financial power of attorney is replaced by your executor upon your death, and therefore, it is common for the same person to be chosen for both sets of duties.



Personal Directive Delegate (Health And Personal Care)

In Nova Scotia, the person assigned to make health care and medical decisions on your behalf is called a delegate. They manage the choices regarding your care, including end of life decisions, where you will be cared for, clothing and dietary preferences and other decisions that relate to how you will be looked after if you can no longer act in your own interests. The delegate is guided by any specific instructions or preferences that you have documented. But given the many number of unknowns that can be associated with this area, it is important that you share your wishes with your delegate to ensure that they can act in the spirit of your intentions.

Taxes and Probate: The Costs Associated with the Final Transfer of Assets

Taxes arise in a number of areas upon your death. There can be taxes incurred by your estate, as well as tax implications on the beneficiaries of your estate who have just inherited assets that may or may not be taxable.

Taxes Incurred Upon Death

Everything in your estate at the time of your death is considered disposed of for tax purposes. Some assets are subject to capital gains tax at death and other assets such as your primary residence are generally tax exempt. Taxes can also generally be deferred to a spouse or common law partner if they are joint owners of the asset. However, the assets may be worth more or less at that point depending on market performance, real estate values, and other factors.

Real estate

Your principal residence is generally exempt from tax both while living and at death. Other real estate is generally subject to capital gains taxation at death but can often be deferred to the surviving spouse if they are a joint owner.

Registered investments

Generally, the value of your registered investments will be taxed at your marginal tax rate in the year of your death. So, if you had \$100,000 in your RRSPs in the year of your death, it would be treated as if you had earned \$100,000 of taxable income in that year. However, if you arrange to transfer the investments to your spouse or partner as a beneficiary upon your death, your estate will not be taxed on this amount.

There are a variety of factors in the situation of your spouse/partner (such as their marginal tax rate, unused capital losses, etc) that will help determine the appropriate amount of the estate to transfer to ensure optimal tax treatment.

If you don't have a spouse/partner to transfer the assets to, and they go to an adult child or other person, the transfer will be treated like a sale, with the 'profits' increasing the overall taxable amount of your final tax return. If there is not enough money in the estate to cover the final tax bill, the beneficiaries receive nothing. In addition, the beneficiary of an

asset that has transferred outside the estate (i.e. the person who received the RRSPs as a beneficiary) may be liable for it.

Should you decide to donate your estate to charity the same taxable value would apply but is often offset by the receipt of charitable donation tax credits. (see p. 12)

Probate

Probate is the provincial administrative process of confirming the validity of your will and the value of your estate. It is not always required, and is determined by the types of assets held within the estate. Fees are always applied to this process, and like taxes, are determined in incremental rates.

EXAMPLE: If an estate in Nova Scotia is worth \$1 million, the following probate fees would apply.

Amount of Assets		Nova Scotia Probate Fee/Asset Amount
Up to \$10,000		\$85.60
Over \$10,000 up to \$25,000		\$215.20
Over \$25,000 up to \$50,000		\$358.15
Over \$50,000 up to \$100,000		\$1,002.65
Over \$100,000	for first \$100,000	\$1,002.65
	for value over \$100,000	\$16.95 per \$1,000 or portion (1.695%)
Total Probate Fees Paid: \$16,257.65		

There are many strategies for reducing the amount of assets in your estate, which will help reduce the probate fees. Some are simple, like giving assets away earlier so they are not in your estate when you die. Some are more complex, like setting up a trust. It is very important to consider all of the tax implications on both your estate and your beneficiaries when considering these strategies to reduce probate fees.

Estate Planning Strategies: Practical Ways to Reduce Income Tax and Probate Fees

Although paying both income tax and probate fees are part of our civic responsibility, most of us want to ensure that as much of our wealth as possible benefits the people and causes we care about. There are a variety of ways to help reduce both income tax and probate fees which need to be carefully weighed against the costs of implementing them.

Alter Ego Trusts

Alter ego trusts are generally suited to more complicated and large estates. Although they don't offer the same tax advantages as testamentary trusts, they are attractive for those who want to keep the value of their estate private.

Assets intended for an alter ego trust cannot be moved into the trust until you are 65. At that time, the assets are effectively removed from the estate, which decreases the estate's value, and provides creditor protection. The assets in the trust do not go through the probate process, which reduces probate fees, and keeps the value of the assets out of the public record.

The transfer of assets to the trust is treated as a simple rollover and is not considered a sale for tax purposes. However, while you are alive, you are responsible for the taxes on any income earned on the assets of the trust, which are paid at your marginal tax rate. After your death, the trust is taxed in the same manner as your estate.

Testamentary Trusts

A testamentary trust is part of your will, and takes effect after you die. It can provide both tax and probate advantages, particularly if the trust is set up in a spouse's name. The transfer of assets from your estate to a testamentary trust triggers capital gains tax, which can be deferred if the transfer is to a spouse.

Upon your death, probate will be charged on the value of the assets that are transferred to the trust. However, when your spouse dies, the assets in the trust will not be subject to probate again, leaving more for beneficiaries such as children.

Testamentary trusts can be particularly attractive if you have children who are not ready or able to manage a large sum of money. A trust lets you set aside assets (property, company

shares, investments or cash) to one or more beneficiaries. The assets may increase in value, and you may determine in the trust agreement how the trustee will manage the assets, and how the assets' growth (interest, dividends, etc) are to be distributed. A trust is a legal document, which should be worded very carefully to ensure that your wishes are met without undue expense or hassle for the beneficiaries.

Life Insurance

The key benefit of life insurance in estate planning is that it can be paid out tax-free to the beneficiaries. This is highly valuable in a number of scenarios, including making sure that your family is well taken care of should you die in the years when they are still dependent on you. It is also important for a surviving spouse who will face large expenditures after your death, such as funeral expenses, final taxes and paying off large debts such as a mortgage.

Life insurance can also be a key way to leave more money than you might otherwise be able to afford. The example below illustrates the importance of understanding the tax implications on your estate and on your beneficiaries when making decisions about distributing your assets.

EXAMPLE: Both of Mike's children are doing equally well in their financial life, and he wants to leave \$100,000 to each of them. He makes his daughter the beneficiary of his RRSP, which, is worth \$100,000, and makes his son the beneficiary of his \$100,000 life insurance policy.

Although he's left them the same amount, his daughter will receive a lot less as the estate incurs taxes on her inheritance at her father's top marginal tax rate of 54%.

Daughter	Son
Gross amount bequeathed: \$100,000	Gross amount bequeathed: \$100,000
Taxes paid by father's estate: \$100,000 x 54% = \$54,000	Taxes paid on insurance payout: \$0
Net received by daughter: \$46,000	Net received by son: \$100,000

Charitable Giving

For some people, donating to a charity provides a meaningful way to leave a legacy while reducing the amount of taxes incurred by the estate.

Normally you pay tax on 50% of any capital gains realized when securities such as stocks, mutual funds and bonds appreciate in value. But if you give the securities directly to a charity, you pay no tax on the capital gain. In addition, your estate receives a tax receipt for the full value of the donation.

EXAMPLE: Beth purchased a mutual fund for \$20,000 which has increased in value to \$100,000. This creates a capital gain of \$80,000. If Beth sells the fund, and donates the cash, she would need to pay tax on \$40,000 (50% of the capital gain). But if Beth donates the fund to a registered charity, her estate gets a tax receipt for the \$100,000, and pays no capital gains tax. Her estate now has a tax credit of \$43,140 creating \$21,600 more in tax savings than if she had sold the fund and donated the proceeds before death.

Implications of a mutual fund that has accumulated \$80,000 in growth over its lifetime	Sell Funds & Donate Cash	Donate Funds Directly or at Death
Capital gain	\$80,000	\$80,000
Taxable capital gain (50%)	\$40,000	0
Tax credit on donation (53.925%)**	\$43,140	\$43,140
Tax on capital gain (54%)*	\$21,600	0
Net tax savings (Tax credit minus tax on capital gain)	\$21,540	\$43,140

* Top marginal tax rate in Nova Scotia. **Tax credit is \$51 on the first \$200 and 54% thereafter in NS

Glossary

Alter ego trust: A trust that is used to hold assets, after the age of 65 for both probate and tax purposes.

Beneficiary: Individuals or charities that receive assets after the death of someone, through their designation in an official document such as a will, life insurance policy, trust or RRSP.

Capital gain: Profit on the sale or deemed sale of capital assets or property. When someone dies, their assets are treated as if they had been sold at fair market value, incurring a capital gain, if not jointly held with a spouse.

Estate: The assets owned by an individual, including property, investments and other financial units, vehicles and other personal items.

Executor: The person or people responsible for managing your estate after your death, including following the directions outlined in your will.

Power of attorney: This person is designated to act on your behalf should you no longer be able to speak or act for yourself. It can refer to financial or health matters.

Probate: The process of the Province verifying your will, which incurs a fee, based on the value of your estate.

Testamentary trust: A trust that is set up in your will, which can provide tax benefits to your beneficiaries.

Trust: A legal entity that separates assets from your estate, and provides advantages in taxes, probate and assigning control of usage and distribution of assets.

Will: A document that names your executor, and outlines your wishes for your funeral and distribution of assets.

Will Planning Checklist

When you're developing your will, there are many things to think about. This list, although not exhaustive, can be a handy reminder of the essentials you will need to have in place:

- All assets and liabilities are recorded, including information on how/where to access them.
- An executor, plus an alternate (back-up), have been identified, and have agreed to take on the responsibility.
- You have clearly outlined the level of discretion you are granting to the executor.
- The executor knows how to access your will.
- You have outlined your wishes in detail in your will, including specific amounts and beneficiaries, if applicable.
- You have named a guardian and an alternate for any minor children.
- You have confirmed that specifics stated in your will are consistent with your other documentation. For example, if you want a beneficiary to receive the proceeds of a life insurance policy he/she must be named in the actual insurance policy, not just in your will.
- You have considered the use of testamentary trusts.
- You have identified any debts that you are owed, and clarified repayment and/or forgiveness arrangements.

Estate and Assets Worksheet

How To Use This Workbook: This Workbook is designed to capture the information required in the event of a death, debilitating illness or accident. Throughout this document, there is space for two entries — one for you and your partner — please complete it as relevant to your household situation. Keep this document in a safe spot, and review it annually to ensure it's up to date. Be sure that your partner and/or executor know where to find it. Contact us for additional Workbooks or for access to a digital version.

The following is an inventory of assets and key information related to the adults residing in your home:

Spouse/Partner 1	Spouse/Partner 2
Full name	Full name
Date of Birth	Date of Birth
SIN	SIN
First Person to Call In Emergency	First Person to Call In Emergency
Name	Name
Contact	Contact
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Notes	Notes
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SPOUSE/PARTNER 1

Family and other Beneficiaries

Name

Relationship

Contact

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Notes

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Name

Relationship

Contact

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Notes

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Name

Relationship

Contact

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Notes

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SPOUSE/PARTNER 2

Family and other Beneficiaries

Name

Relationship

Contact

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Notes

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Name

Relationship

Contact

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Notes

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Name

Relationship

Contact

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Notes

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SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

WILL AND LEGAL INFORMATION

Location of will
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Location of will
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Date of last update
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Date of last update
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Executor

Executor

Name
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Name
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Contact
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Contact
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Notes
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Notes
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Law Firm

Law Firm

Name
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Name
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Contact
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Contact
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Notes
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Notes
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Guardians (if relevant)

Guardians (if relevant)

Name
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Name
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Contact
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Contact
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Notes
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Notes
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SPOUSE/PARTNER 1

Power Of Attorney

Name

Contact

Notes

Personal Directive Delegate

Name

Contact

Notes

Notes

SPOUSE/PARTNER 1

Power Of Attorney

Name

Contact

Notes

Personal Directive Delegate

Name

Contact

Notes

SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

OTHER IMPORTANT DOCUMENTS

Birth Certificate

Location

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Birth Certificate

Location

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Health Card

Number

Expiry Date

Location

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Health Card

Number

Expiry Date

Location

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Driver's Licence

Number

Expiry Date

Location

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Driver's Licence

Number

Expiry Date

Location

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Passport

Number

Expiry Date

Location

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Passport

Number

Expiry Date

Location

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SPOUSE/PARTNER 1

Other

Number

Expiry Date

Location

Marriage Certificate

Location

Divorce Certificate

Location

Children's Birth Certificates

Location

Notes

SPOUSE/PARTNER 2

Other

Number

Expiry Date

Location

Marriage Certificate

Location

Divorce Certificate

Location

Children's Birth Certificates

Location

SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

BANK ACCOUNTS

Chequing

Name of Institution

Contact Information

Account Number

Account Balance \$

as of (today's date)

Username

Password

Saving

Name of Institution

Contact Information

Account Number

Account Balance \$

as of (today's date)

Username

Password

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Name of Institution

Contact Information

Account Number

Account Balance \$

as of (today's date)

Username

Password

Saving

Name of Institution

Contact Information

Account Number

Account Balance \$

as of (today's date)

Username

Password

SPOUSE/PARTNER 1

Other

Name of Institution

Contact Information

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Account Number

Account Balance \$

as of (today's date)

Username

Password

Other

Name of Institution

Contact Information

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Account Number

Account Balance \$

as of (today's date)

Username

Password

SPOUSE/PARTNER 2

Other

Name of Institution

Contact Information

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Account Number

Account Balance \$

as of (today's date)

Username

Password

Other

Name of Institution

Contact Information

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Account Number

Account Balance \$

as of (today's date)

Username

Password

SPOUSE/PARTNER 1

SPOUSE/PARTNER 1

REGISTERED SAVINGS – RRSPs, RRIFs, RESPs, LIRAs, TFSAs ETC.

Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)

Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)

Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)

Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)

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SPOUSE/PARTNER 1

Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)
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Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)
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SPOUSE/PARTNER 2

Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)
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Account Type
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Name of Institution
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Contact Information
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Account Number
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Beneficiary
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Account Balance \$
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as of (today's date)
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SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

NON-REGISTERED SAVINGS

Other

Name of Institution

Contact Information

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Account Number

Beneficiary

Account Balance \$

as of (today's date)

Other

Name of Institution

Contact Information

.....

Account Number

Beneficiary

Account Balance \$

as of (today's date)

Other

Name of Institution

Contact Information

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Account Number

Beneficiary

Account Balance \$

as of (today's date)

Other

Name of Institution

Contact Information

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Account Number

Beneficiary

Account Balance \$

as of (today's date)

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SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

RETIREMENT PLANS AND BENEFITS

Employer-Sponsored Plans

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Employee Stock Options

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Employer-Sponsored Plans

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Employee Stock Options

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Notes

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SPOUSE/PARTNER 1

Deferred Profit Sharing

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Other

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

SPOUSE/PARTNER 2

Deferred Profit Sharing

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Other

Type

Contact Information

Account Number

Account Balance \$

as of (today's date)

Beneficiary

Notes

SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

INSURANCE

Life Insurance 1

Insurance Provider
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Contact Information
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Policy Number
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Beneficiary
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Coverage Amount
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Life Insurance 2

Insurance Provider
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Contact Information
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Policy Number
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Beneficiary
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Coverage Amount
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Health Insurance

Insurance Provider
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Contact Information
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Policy Number
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Beneficiary
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Life Insurance 1

Insurance Provider
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Contact Information
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Policy Number
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Beneficiary
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Coverage Amount
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Life Insurance 2

Insurance Provider
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Contact Information
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Policy Number
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Beneficiary
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Coverage Amount
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Health Insurance

Insurance Provider
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Contact Information
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Policy Number
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Beneficiary
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SPOUSE/PARTNER 1

CI Insurance

Insurance Provider

Contact Information

Policy Number

Beneficiary

Coverage Amount

Disability Insurance

Insurance Provider

Contact Information

Policy Number

Beneficiary

Coverage Amount

Home/Apartment Insurance

Insurance Provider

Contact Information

Policy Number

Value

SPOUSE/PARTNER 2

CI Insurance

Insurance Provider

Contact Information

Policy Number

Beneficiary

Coverage Amount

Disability Insurance

Insurance Provider

Contact Information

Policy Number

Beneficiary

Coverage Amount

Policy Owner

Auto Insurance

Insurance Provider

Contact Information

Policy Number

Policy Owner

Value

REAL ESTATE/PROPERTY

Property 1

Type of Property (home, cottage, etc)

Address

Market Value

Value (Net of Mortgage)

Mortgage Owing \$

as of

(today's date)

Yearly Tax Bill

Lending Institution (if applicable)

Name(s) of Owner(s)

Location of Deed

Property 2

Type of Property (home, cottage, etc)

Address

Market Value

Value (Net of Mortgage)

Mortgage Owing \$

as of

(today's date)

Yearly Tax Bill

Lending Institution (if applicable)

Name(s) of Owner(s)

Location of Deed

Home Furnishing

Description

Market Value

Collectibles

Description

Market Value

Other

Description

Market Value

VEHICLES

Auto 1

Description

Market Value

Amount Owning

Lending Institution (if applicable)

Name(s) of Owner(s)

Auto 2

Description

Market Value

Amount Owning

Lending Institution (if applicable)

Name(s) of Owner(s)

SPOUSE/PARTNER 1

SPOUSE/PARTNER 2

SAFE DEPOSIT BOX

Box 1

Institution

Contact Information

Box Number

Contents

Location of Key

.....

Box 1

Institution

Contact Information

Box Number

Contents

Location of Key

.....

Box 2

Institution

Contact Information

Box Number

Contents

Location of Key

.....

Box 2

Institution

Contact Information

Box Number

Contents

Location of Key

.....

BUSINESS INTEREST

Business

Business Name

Contact Information

Ownership%

Entity Type

Market Value

Business

Business Name

Contact Information

Ownership%

Entity Type

Market Value

DEBT AND OTHER OBLIGATIONS

Home Equity Line Of Credit

Lender

Contact Information

Balance Outstanding

Username

Password

SPOUSE/PARTNER 1

Loan

Lender

Contact Information

Account Number

Balance Outstanding

Username

Password

SPOUSE/PARTNER 2

Loan

Lender

Contact Information

Account Number

Balance Outstanding

Username

Password

Line of credit (Unsecured)

Lender

Contact Information

Account Number

Balance Outstanding

Username

Password

Line of credit (Unsecured)

Lender

Contact Information

Account Number

Balance Outstanding

Username

Password

SPOUSE/PARTNER 1

Credit Card 1

Lender
.....
Contact Information
.....
.....
Card Number
.....
Balance Outstanding
.....
Username
.....
Password
.....
Shared With Spouse/Partner? Yes No

Credit Card 2

Lender
.....
Contact Information
.....
.....
Card Number
.....
Balance Outstanding
.....
Username
.....
Password
.....
Shared With Spouse/Partner? Yes No

SPOUSE/PARTNER 2

Credit Card 1

Lender
.....
Contact Information
.....
.....
Card Number
.....
Balance Outstanding
.....
Username
.....
Password
.....
Shared With Spouse/Partner? Yes No

Credit Card 2

Lender
.....
Contact Information
.....
.....
Card Number
.....
Balance Outstanding
.....
Username
.....
Password
.....
Shared With Spouse/Partner? Yes No

SPOUSE/PARTNER 1

Money Owed to You

Borrower

Contact Information

Balance Outstanding

Notes

SPOUSE/PARTNER 2

Money Owed to You

Borrower

Contact Information

Balance Outstanding

Notes

HOUSEHOLD EXPENSES

Mobile Phone

Provider

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment*

Mobile Phone

Provider

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Home Phone

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

*Method of payment such as automatic debit, cheque, in-person, etc.

Power

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Oil/Natural Gas/Propane

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Water

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Cable

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Internet

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Household Services (yard, cleaning, etc)

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Other

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

Other

Account Number

Contact Information

Monthly Payment (Approx)

Method of Payment

WILL UPDATE CHECKLIST

If you already have a will, it's important that it reflect your current wishes as closely as possible. If any of the following has happened since you created your will, it's probably time for an update:

- You've been married, divorced, separated or started a new relationship.
- A spouse or significant beneficiary has died.
- There has been an addition to the family such as a child or grandchild.
- Your net worth and/or assets have changed significantly.
- Your executor has had a significant change in their situation such that you are no longer comfortable leaving them in the role.
- You have changed your mind about the beneficiaries and/or distribution of assets.
- You have moved to a different province or territory and/or relevant legislation such as the Income Tax Act has changed.

EXECUTOR'S CHECKLIST

The following checklist summarizes the tasks involved in settling an estate. If you have questions about any of your duties or you want more information please contact Trusts & Estates lawyer Sarah Dykema at sarah.dykema@mcinnescooper.com, or at 902-423-8157.

PRELIMINARY STEPS

- 1. Locate the Will and review for specific instructions concerning the funeral.
- 2. Assist with funeral arrangements if required.
- 3. Obtain multiple original copies of the proof-of-death certificate, as most organizations that you will deal with as executor require original documentation.
- 4. Ensure the family's immediate financial needs can be met.
- 5. Review any marriage contracts, family law issues or dependant relief issues.
- 6. Probate the Will (if necessary).
- 7. Pay probate taxes to provincial government as determined.

BENEFICIARY RELATIONSHIP

- 8. Communicate directly with beneficiaries, gather information and set expectations.
- 9. Provide regular updates to beneficiaries regarding status of the administration.
- 10. Provide a copy of the estate summary document to those beneficiaries who are entitled to one.
- 11. Communicate with the residual beneficiaries regarding the distribution process.

SAFEGUARDING THE ESTATE ASSETS

12. Verify that adequate insurance is in place to protect assets. 
13. Notify banks and institutions where the deceased held accounts or had other dealings. 
14. Cancel all credit card accounts and return cards to issuers. 
15. Open an estate account to deposit income and pay expenses, transferring any balances. 

VALUING THE ESTATE

16. Locate all original investment certificates, stocks, bonds, property deeds, etc. in the deceased's personal files and safe deposit box. 
17. Identify, value and record estate assets as they stood at the date of death. 
18. Investigate all debts owed by the deceased. 
19. Apply for and collect Canada Pension Plan (CPP)/Quebec Pension Plan (QPP) death benefit. 
20. Contact the deceased's employer or former employer regarding pension plans, retiree benefits and death benefits. 
21. Apply for and collect life insurance and other insurance benefits. 

ADMINISTERING THE ESTATE

22. Review the suitability of investments held in the estate and recommend which assets are to be sold to meet cash requirements. 
23. Invest any surplus cash until the estate is finalized, selecting from allowable investments. 
24. Assist in establishing any trusts stipulated in the Will. 
25. Cancel CPP, QPP and/or Old Age Security (OAS) benefits. 
26. Apply for CPP/QPP survivor's pension and/or children's benefits and Allowance for the Survivor. 
27. Advise the CRA to discontinue or transfer GST/HST credits and child tax benefits. 
28. Complete documentation and arrange to transfer employment, health, pension and retiree benefits. 
29. Return social insurance card, passport, driver's licence and health card, obtaining any appropriate refunds. 
30. Complete "housekeeping" tasks. 
31. Pay all debts and settle all legitimate claims prior to final distribution of assets, obtaining receipts for any payments made. 

TAXES

32. Obtain a copy of the last tax return filed by the deceased. 
33. Complete and file all outstanding tax returns and pay any required income taxes. 
34. Obtain Tax Clearance Certificate(s) from the CRA (and Revenue Quebec, if applicable) once the Notice of Assessment(s) is received, confirming that all tax liabilities have been settled. 

DISTRIBUTION

35. Initiate sale of assets and transfer of titles. 
36. Begin distributing assets to beneficiaries according to the terms of the Will. 
37. Distribute specific bequests (personal and household belongings) obtaining receipts from respective beneficiaries. 
38. Prepare a reckoning of your expenses (and any compensation) as executor. 
39. Arrange for final distribution of remaining assets, obtaining receipts from each beneficiary. 
40. Prepare a final accounting of all assets, liabilities, expenses and distribution of assets for beneficiaries. 
41. Have each adult beneficiary approve the accounting and sign a release form. 
42. Advise the bank in writing to close the estate account once the estate is settled. 
43. Advise beneficiaries to consult with a financial advisor. 

