



Estate Planning

Due to the overwhelming number of requests from clients wanting to know what steps they should be taking to help address their Estate planning needs, I have listed below some information and questions to ask yourself when thinking about creating an effective Estate plan.

Setting Up a Will

Perhaps the most important step to take is having an updated Will and Power of Attorney. Your last Will and Testament is the legal document that provides instructions about what you'd like done with your belongings and assets after you pass. Without a current Will in place, sorting out your Estate can become very complicated, expensive and time-consuming. Surprisingly, an estimated 50% of Canadians do not have a Will – but they should. If you're just getting started, one of the first questions you'll need to ask yourself is who you would like to designate as your executor. The executor is responsible for, among other things, finding out what your assets are and what they are worth, investing them, selling them, and distributing them to your beneficiaries. The executor must also pay off any outstanding debts and prepare your final tax return. It can be a demanding and challenging job, so it's important to choose the right candidate. If you have any questions please don't hesitate to call and we can send you more information on what to consider when evaluating potential candidates.

Setting Up a Power of Attorney

Once you have your Will in place, we also suggest you set up a Power of Attorney. While this is not a pleasant topic to think about, all of us face the risk of becoming incapacitated, mentally or physically, because of illness or accident. If that happens, you may not be able to look after your financial affairs – a circumstance that can have potentially disastrous consequences. That's why it is a good idea to assign legal responsibility for the emergency management of your finances to someone you trust. Through Power of Attorney, you ensure that someone who understands your needs and goals will manage your finances when you are unable to do so. Power of Attorney is a legal document that allows someone of your choosing to manage your affairs if you become incapacitated. You can appoint a trusted relative or friend or a professional representative, such as a trust company like The Canada Trust Company. Please speak to us if this is something you feel you would like to discuss further.

When you assign Power of Attorney to a person or entity who understands your financial situation, you gain peace of mind. Without Power of Attorney, your spouse or family will have to apply to the courts to be given the power to look after your affairs while you are incapacitated. If there is no one to do this, or if the court does not grant them Power of Attorney, the Public Trustee in the province in which you reside will be given that responsibility. The bottom line is that the person who the court appoints may not be who you would have chosen. On top of that, this whole process can be both lengthy and expensive.

Fortunately, it is not that difficult to set up Power of Attorney. It can be done quickly and it is also possible to appoint more than one person. Under joint Power of Attorney, decisions must be made by consensus. You can also be specific as to when your Power of Attorney provisions should take effect. For example, you might stipulate that the opinions of more than one medical practitioner are required before you are deemed unfit to manage your affairs. Consider what responsibilities you want to assign.

For example, you can assign Power of Attorney to manage all of your affairs, including your investments, or restrict your appointee to day-to-day tasks, such as taking care of outstanding bills. Restricted Power of Attorney can be useful in cases where you may be physically incapacitated and unable to visit your bank, but are still mentally capable of managing your overall finances.

Questions to Ask Yourself

The next step in creating an Estate plan is to think about protecting yourself. Clients often ask us how they can protect their Estate, monthly income, vacation property and leave a legacy to their family or to a charity of their choosing. If you answer yes to any of the questions below, then we would invite you to have a meeting with Brandon or myself to discuss how we can help.

- Do you have a special asset you wish to pass on to your heirs, such as a cottage or recreational property?
- Are you interested in higher guaranteed income with lower income taxes?
- Are you a professional or self-employed? Do you have adequate income replacement?
- Do you have term life insurance and need a review?
- Do you want a better alternative to mortgage insurance?
- Are you concerned about the impact of taxes on your RRIF, estate or investment portfolios?

Our Commitment to Bringing in Specialists

Brandon and I are both fully licensed to provide our clients with virtually all estate planning solutions. However, we never hesitate to bring in specialists such as accountants, lawyers and other professionals when we feel it may be beneficial to our clients. We have excellent resources at TD Wealth Private Investment Advice and not many clients are aware that we have “in house” estate professionals who are here to help, and at no cost to our clients. Two TD specialists who rarely get mentioned, but who work very closely with our team and clients are:



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Consultation with our Estate planning team is free and carries no obligation. As always, we value your business and look forward to assisting you in meeting your financial objectives. We also welcome any friends or family you feel would benefit from what we have to offer. Please give us a call if you have any questions or concerns.

Sincerely,

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