

Your life is changing— is your estate plan changing with it?



Estate planning isn't just about planning for death, it's also about planning for life.

The early years

Young adults, especially those in their 20s and 30s, often feel they don't need a Will because, "I don't have anything." But if you have a bank account, a credit card, a car—then you do have an estate and you should have a Will, with an appropriate executor named to deal with these assets in the event of your death. And while you're at your estate lawyer's office to draft that Will, you may wish to execute a power of attorney and an advance health directive.

As adults become more secure financially, they start purchasing. It could be a condo, a house or a cottage at the lake. Then your estate questions become slightly different: Is the mortgage life-insured? What are your insurance needs for life, disability, property, etc.? Do you have adequate coverage?

The relationship years

These questions become even more pressing when you enter a relationship, be it common-law or marriage. If the property was solely owned before the relationship, will it be re-registered joint with right of survivorship? Is there a marriage or cohabitation agreement? Does the Will, power of attorney and advance health directive need to be updated? In all provinces except Alberta and British Columbia, marriage revokes a Will unless a *contemplation of marriage clause* is included. In Nova Scotia¹ and Saskatchewan², cohabitation can revoke a Will unless a *contemplation of cohabitation* clause is included. If there is no Will, some provinces³ do not recognize a common-law partner as having rights under the laws of intestacy. Are appropriate beneficiary designations in place on insurance policies, pensions and RRSPs? Have you engaged a financial planner to help you achieve your financial goals?

Relationship breakdown

Unfortunately, it happens, and it should spur a review of your estate plan. Many of the same questions need to be answered as when entering a relationship: Is there a property settlement? This may be an important factor in updating your Will and beneficiary designations on registered plans and insurance policies.

¹ Registering a domestic partnership with Vital Statistics

² Cohabitation in a spousal relationship for 2 continuous years

³ Only Alberta, British Columbia, Manitoba (registered with Vital Statistics or 3 years) Nova Scotia (registered with Vital Statistics) and Saskatchewan recognize common-law rights under intestacies.

The children years

Do you have children? Here's a new set of questions: Does your Will include a guardian appointment for your children? Does your child have a critical illness or disability that requires additional considerations? Have you established testamentary trusts in case both parents die in a common accident? Is there sufficient life insurance to support your children through to adulthood? Have you set up an RESP to take advantage of available government grants for their education?

The business-ownership years

Do you own a business? If yes, do you have plans in the event you are incapacitated or die? Who would run the company? Is the attorney named in your power of attorney for property the appropriate person to run your business if you become mentally incapacitated? Or should you have a power of attorney for your personal assets and a separate power of attorney for your business? Does the executor named in your Will have the ability to continue the business? Is "key person" insurance in place? Who has signing authority on your business accounts? Consider the impact on your employees should these questions not be answered.

The sandwich years

As we age, so do our parents. Do you know your parents' end-of-life wishes? Do your parents have a Will with an appropriate executor? If they've pre-planned or pre-paid for their funeral, do you have the details? Is it time to think about pre-planning or pre-paying for your own funeral, or at least discussing your wishes with your family?

The pre-retirement and retirement years

Now your children, if you have any, have left home and started their own lives. Your retirement is looming. Enter a new set of questions: Have you named an appropriate executor and attorney? What is the most appropriate way to distribute your estate? Will it be shared amongst your children, grandchildren or a favourite charity? If you have a child with disabilities, is an absolute discretion (Henson) trust appropriate? If leaving money to charity, what is the most tax-effective way to do so? Does it make sense to open an RESP for the grandchildren if their parents haven't? If a child predeceases you, will their children benefit? Has money been loaned to a beneficiary? If so, will that money form part of the estate or will the loan be forgiven?

In summary

Life is an ever-evolving journey. So too does estate planning. It is always a good time to establish your priorities, look at your current and future needs, and evaluate your estate plan.

Consider connecting with an estate and trust specialist at Concentra Trust to answer your estate planning questions. We work with Canadians to ensure you have the documents you need—such as Wills, powers of attorney for property and personal care—and to determine whether establishing a trust for your loved ones is the right approach.

Concentra Trust, a national trust company, has been serving clients, corporations and communities for more than 65 years with tailored estate and trust solutions designed to preserve and transition wealth to future generations. We are well versed in navigating the intricacies of estate planning and administration and our experts have the skill to support all aspects of the process. Given our passion for trust governance, our unbiased advice and guidance, and our inclusive leadership culture and cooperative values, we provide exceptional client service.

For more information: 1.800.788.6311 | trust@concentra.ca | concentra.ca

A word from our lawyers

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