

# Plan Well. Live Well. Leave an Organized Estate.

Date: March 1, 2020

Both your household and business/career are “for profit” undertakings and neither achieve success by accident. In each case, short and long term planning provide a road map to achieve desired milestones as well as a guide to allow for timely adjustments along the way in the event circumstances change. The result is greater peace of mind, fewer delays, lower costs, in addition to reducing risk and the potential for conflict. In short, effective estate and business succession planning is both an exercise in self-care and a gift to those about whom you care.

**How the Process Works** – Estate planning, which includes business succession planning, is a journey and not a destination. The beginning point is a conversation with yourself about what you want to achieve. The next step is to continue that conversation with your estate planning lawyer and allied professionals such as your accountant and financial or insurance advisor. From there, your advisors will help you refine your goals, present options for achieving them and then work to implement appropriate strategies. Along the way, you should also be having conversations with family, potential substitute decision makers (i.e. attorneys for property and care), potential executors and trustees, as well as business partners if applicable. Once your initial plans are implemented, you need to maintain them through regular review and updates.

**When to Start** – Today. Make an appointment with a lawyer who specializes in estate planning; put it in your calendar and set any related tasks; tell your family, and those you care about, that you are going to get this done – by a certain date.

**Reminder:** Maintaining an organized estate during your lifetime is a gift you give yourself and those about whom you care.

**How to Prepare** – For your initial meeting, be prepared to provide or discuss the following:

- Full names, dates of birth, citizenship of you, spouse, children, dependents
- Marital status and existence of any domestic or family law agreements
- What you own and how it is owned (e.g. single or joint) along with estimated values
- What you owe (e.g. mortgage, credit line, guarantees) along with estimated values
- Existence of health or disability issues that may affect you, beneficiaries, or decision makers

- Your goals and objectives for management of your affairs while alive, but possibly lacking capacity, and how your assets should be managed following death
- Additional goals such as charitable giving as well as reduction of taxes or probate fees

Depending on circumstances, eventually you may need to provide the following:

- Copies of cohabitation or marriage contracts, separation agreements
- Copies of shareholder or partnership agreements, corporate minute books and corporate organization chart
- Copies of investments, insurance and plans such as RRSPs, RESPs, TFSAs, etc. to confirm beneficiary designations and values
- Copies of loan documentation

**When to Review** – About every five years unless there is a change in circumstance such as:

- Marriage or divorce
- Birth or death of beneficiaries, executors, trustees, attorneys for care or property
- Illness or disability of you, beneficiaries, executors, trustees, attorneys for care or property
- Purchase or sale of major assets or change in financial plans
- Bankruptcy or insolvency
- Change in residence or citizenship
- Change of advisors

**How are Estate and Business Succession Plans Implemented?** – Each person's plan is designed to suit their needs, but typical documentation can involve a combination of the following:

- Wills, trusts, deeds of gift, and beneficiary designations
- Powers of attorney or guardianship orders
- Marriage and cohabitation agreements
- Partnership, shareholder, and buy-sell agreements
- Employment contracts and other business documentation
- Changes to real estate ownership

#### **Related Advice and Services:**

- Incapacity and disability planning
- Charitable gift planning
- Corporate reorganizations and estate freezes
- Tax law advice

**Related Practice Areas** – Estate planning is part of a broad industry group sometimes referred to as “Private Client” that encompasses several areas of legal practice including:

- Wills, trusts and estates
- Business law
- Real estate
- Family law
- Charities law
- Employment law

- Intellectual property
- Tax law

**Related Planning** – Estate planning is a companion piece to comprehensive financial planning, both of which share much of the same core information and goal-setting exercise to help clients understand where they are and where they are going. When both types of planning are done together, the result is an even stronger foundation to live well and leave an organized estate.

The information contained in this article is intended to provide information and comment, in a general fashion, about recent cases and related practice points of interest. The information and views expressed are not intended to provide legal advice. For specific legal advice, please contact us.