

Estate Planning - Being an Executor

What are your responsibilities and obligations?



The Cornerstone of
Financial Independence
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It's a Plan of the Wise[®]

Estate Planning: Being an Executor

What are your responsibilities and Obligations?

Being named as an executor of an estate is a big undertaking requiring a considerable amount of time and knowledge. You have been entrusted to handle the financial affairs of the deceased in their absence and owe it to them to make sure you know what is required of you.

Below is a general list of the duties required by you as an executor. Tick box

Making arrangements

Notes:

Locate the Will and read it thoroughly for any special instructions regarding the funeral arrangements.

Assist the family in making funeral arrangements, if necessary.

Preliminary action

Notes:

Ascertain immediate cash requirements of beneficiaries.

Acquire funeral director's statement of death or apply for provincial death certificate.

Determine location of beneficiaries.

Cancellations and contacts

Notes:

Terminate lease or arrange for a sublet if deceased lived in a rental property.

Cancel driver's license, magazine and newspaper subscriptions, cable TV, club memberships and telephone, and request refunds if applicable.

If applicable, ask Health and Welfare to cancel old age security cheques and Canadian Pension

Cancel health insurance coverage.

Obtain information on outstanding credit card balances and cancel cards.

**Cancellations and con-
tacts Cont.'s**

Notes:

- Contact Canada Post to reroute deceased's mail, if necessary.
- Complete or cancel outstanding broker's orders.
- Contact dividend and bond disbursing agents in order to get them to change address of record.

**Preparative banking
business**

Notes:

- Gain access to and list contents of safety deposit box.
- Arrange for safe storage of valuable items.
- Determine assets and liabilities of deceased by writing to financial institutions, insurance companies, brokers, employer, and RRSP/RRIF trustees for information.
- Organize a review of all investments in portfolio.
- Open estate bank account.

Benefit Entitlement

Notes:

- Contact previous employer to determine any Survivor Pension Benefits or insurance proceeds.
- Inquire to determine entitlement to and apply for Canada Pension Plan Death Benefits, Survivor's Benefits and Orphan's Benefits.

Preliminary Administration

Notes:

- Review tax returns from past years and complete and file any previous out-
- Acquire all title documents for bonds, property, mortgages, debentures, share certificates, and
- Obtain evaluations of all real estate, securities, automobiles, and any personal property.
- Review insurance to determine adequacy of coverage and make changes if deemed necessary.
- Ensure that each beneficiary receives a copy of the Will.
- Compile a complete list of assets and liabilities, listing them by their class and value. Ensure that you include certificate numbers, interest rates, registration particulars, maturity dates, and payment frequency.
- Discuss probate requirements, beneficiary notice, and administrative concerns with a solicitor or estate

Probate concerns

Notes:

- With assistance of a solicitor or estate professional, apply for grant of probate or administration.
- After probate has been granted, acquire notarized copies in order to transfer assets.
- Request that solicitor or estate professional register probate on title to real estate, if necessary.

Administration matters

Notes:

- Keep in contact with the beneficiaries, reporting on the progress of the estate administration and provide each with a copy of the complete inventory of assets and liabilities.
- Organize to have Advertisement to Creditors published before distributing estate assets.
- In order to transfer securities, complete all powers of attorney and declarations of transmission.

Administrative Banking

Notes:

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- Settle all debt and outstanding claims.
 - Arrange to have safety deposit box closed and obtain
 - Complete the closure of all bank accounts, transferring balance to estate account.

If joint bank accounts exist with right of survivorship, supply financial institution with death certificate and request that they transfer to surviving joint
 - Organize sale of securities if converting to cash. Otherwise arrange for the re-registration and transfer of securities.
 - Arrange for transfer or rollover of RRSP/RRIF proceeds.
 - Invest cash surplus according to terms of the Will.

Distribution administration

Notes:



Examine Will for details regarding the distribution scheme of assets.

If necessary, discuss distribution of assets in kind with beneficiaries.

With solicitor or estate professional, review any restrictions or time periods imposed on the distribution of estate assets.

Prepare cheques for debt payments, legacies and interim distributions.

If distribution in kind is required, provide beneficiaries with securities and obtain receipts for them.

Provide beneficiaries with personal effects and obtain receipts for them.

Provide beneficiaries with legacies and obtain receipts for them.

Acquire Goods & Service Tax clearances.

Income tax requirements

Notes:

If deceased held foreign assets, complete and file necessary tax return.

Complete and file a Terminal T1 Tax Return and any other required returns with Revenue Canada and request a Clearance Certificate.

Note that Terminal period returns have to be filed by April 30th of the year following the year of death, or by six months from the date of death, whichever is later.

Complete and file a T3 Trust Information Return. This must be filed within 90 days from the year end of the taxation year chosen for the estate.

Distribution to beneficiaries

Notes:

Determine if the Will provides for outright distribution. If so, acquire a release for distribution and transfer assets or funds to beneficiaries.

Be sure to keep enough funds in a reserve for any outstanding accounts and debts as well as income taxes.

Determine if the Will provides for trusts. If so, arrange for testamentary trusts and organize an ongoing review of investments. Also arrange a review to ensure an ongoing compliance with the rest of the terms of the trust.

Beneficiary approval

Notes:

Ready accounts for approval or passing by beneficiaries and prepare releases.

When accounting has been completed, write to beneficiaries to request their approval.

Calculate executor's compensation.

Confirm that all releases have been received once account approval has been given by beneficiaries.

After obtaining beneficiary or court approval, take executor's compensation, maintain holdback/reserve pending the receipt of clearance certificates, and distribute and deliver any remaining funds or assets.

Finalizing affairs

- If accounts need to be audited by the Court, request that the solicitor or estate professional prepare an application and all necessary notices and make an appointment.
- Apply for a tax clearance certificate.
- After confirming that all written cheques have cleared, organize the closure of the Estate bank account.
- Write a detailed report regarding all aspects of the estate administration and send it to beneficiaries.

GETTING ADVICE : A Will requires careful planning to ensure all essential matters are covered. It should also be reviewed periodically and discussed with a qualified adviser or team of advisers to incorporate any changes in your personal circumstances.

Note: This list has been compiled from sources we believe to be reliable and is intended to provide a general informational guide for estate administration. Actual requirements may vary depending on location. This guide should not be construed as income tax or legal advice.

A Cornerstone® Planning Report

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Estate Planning



The Prudent Canadian's Guide to Effective Estate Planning

The essence of estate planning is thinking about the future, and developing a program to create, preserve, and transfer assets. Estate planning is about life - now and in the future. Most importantly, it's about the life of your family and loved ones, and the peace of mind that comes with ensuring their financial security.

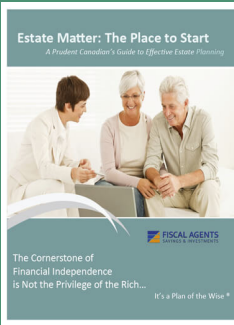
Estate Planning



Why You Need an Estate Plan: 10 Simple Steps

Getting started with Estate Planning can seem like a daunting task. Inside this document you'll find the process broken down into steps - from selecting professionals to hire, setting up a balance sheet, understanding the role of insurance and more.

Estate Planning



Estate Matter: The Place to Start

For most people, estate planning is a difficult subject to discuss and to plan for, because it forces us to come to terms with our own mortality.

Yet it is something you need to discuss openly with your loved ones today, because you can't do so after you're gone.

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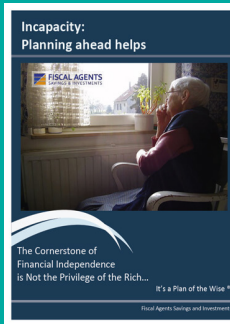
Retirement Planning



Financial planning your Retirement: How do you get started?

No matter what your age or stage of life, you should have some form of financial plan for retirement. It's said that financial planning for retirement should be a career long process, and the longer you are able to set money aside for retirement, the more compound interest will work for you.

Retirement Planning



Incapacity: Planning ahead helps

Accidents and aging are a part of life. Like an up-to-date will, a power of attorney is an important tool in financial and estate planning. Planning ahead in case of serious disability or health problems allows decision-making relating to property or personal care to proceed without unnecessary disruption.

General Interest



Financial Independence Checklist

Experience has shown there are six key principles to financial independence. Those who adhere to them are more likely to succeed. Those who don't jeopardize their chances at financial independence. In this document we describe the six principles in detail, and provide a brief explanation on how you can apply them to your situation.

General Interest



Planning for your children's future

In today's hectic world, planning plays an important role in the way we live our lives. From major decisions to relatively minor issues, planning is what makes our lives run smoothly.

We often put off tackling the chore of making the most important choices: Planning for our future and the futures of our children.

Reference Guides

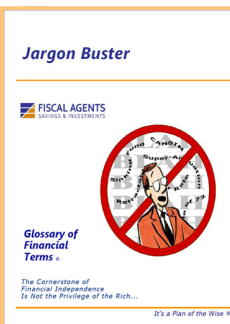


Estate and Planning Organizer: Household Directory of Documents

A useful tool for anyone who understands the importance of keeping clear and concise records that, when completed, will be invaluable to you, your family members and loved ones, as well as to the executors of your estate.

This publication is completely interactive - you can add or update information to it whenever you like.

Reference Guides



Jargon Buster: Glossary of Financial Terms

Designed for both the finance professional and the money market novice, with over 1,200 concise definitions of relevant terms used in the financial industry, the Jargon Buster touches on almost every facet of finance, investment and savings in a manner that is clear and easy to understand.