Preparing Your Estate Plan

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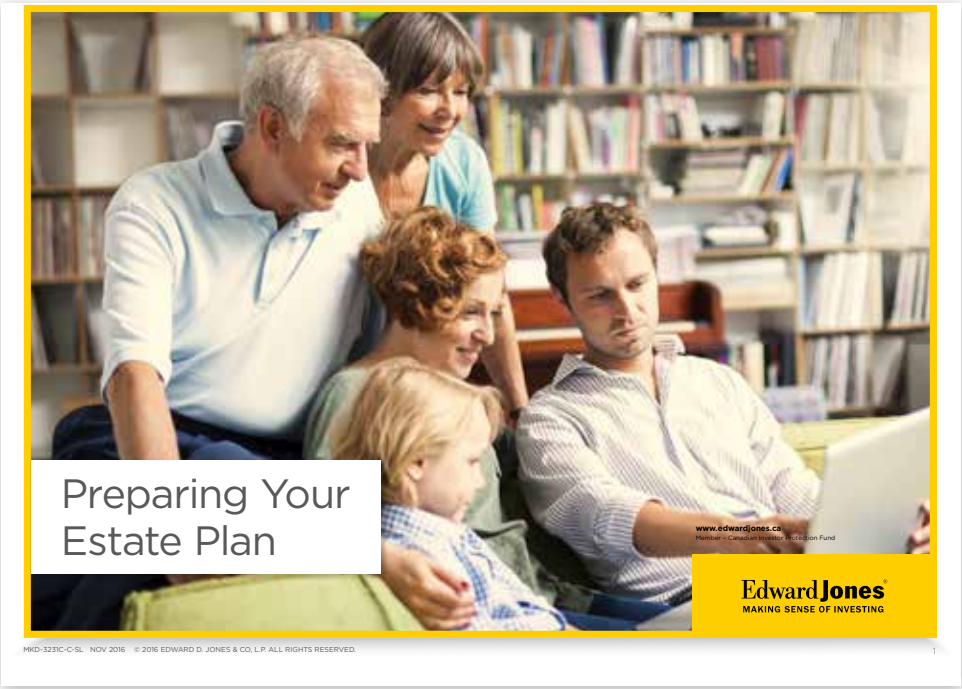

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Edward Jones, its employees and financial advisors are not estate planners and cannot provide tax or legal advice. You should consult with a qualified tax specialist or legal advisor for professional advice on your situation.

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Estate-planning Goals

- Asset preservation and transfer
- Incapacity planning
- Guardian for minors or dependents
- Charitable intent and legacy planning
- Tax efficiency
- Business succession

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Estate-planning Overview

- Account registration
- Beneficiary designation
- Will
- Trust
- Life insurance

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Account Registration

- Investments
- Bank accounts
- Retirement accounts
- Insurance policies
- Pension
- Property

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Beneficiary Designation

Registered accounts with a valid beneficiary designation generally transfer outside of the estate

Ensure current information on all:

- Life insurance policies
- Retirement accounts
- Other investment accounts

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What Is a Will?

Legal document that governs the distribution of assets owned by you

Determines who gets what when you die

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Don't Have a Will When You Die?

Your estate will be distributed according to provincial intestacy legislation.

Assets without a beneficiary designation will generally fall into your estate

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Role of Executor

- Obtain a grant of probate
- Inventory assets of the estate
- File tax returns
- Pay final expenses and taxes
- Distribute assets

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Probate

Each province may apply a probate or estate tax on assets located in that province. The tax varies between provinces.

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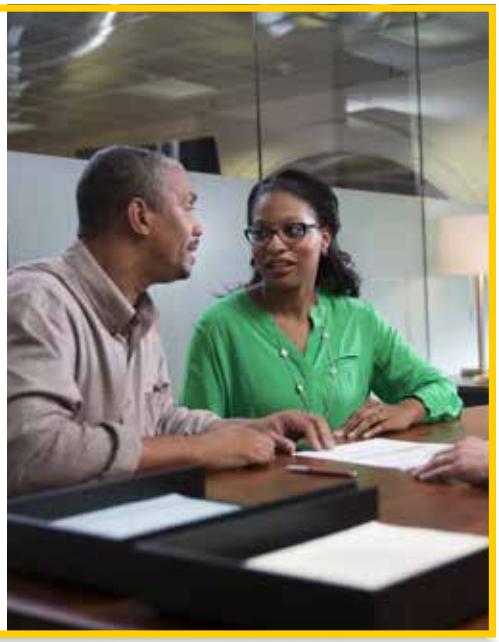
Important Documents

- A continuing or springing power of attorney for property
- Health care power of attorney
- Living will



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What Is a Trust?

A legal arrangement in which an individual gives control of property to a person or institution (the trustee) for the benefit of beneficiaries

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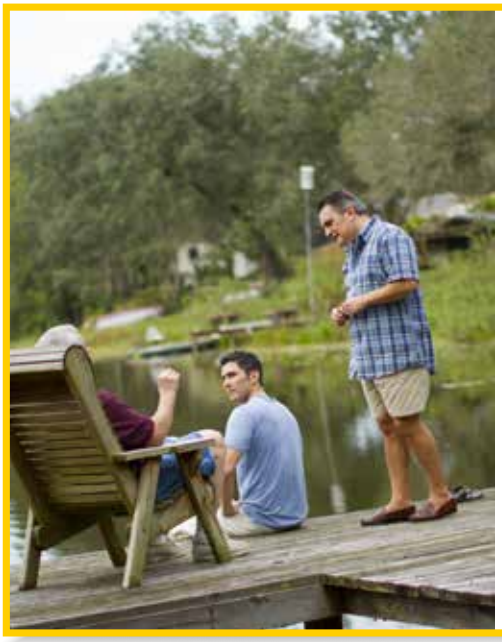

What Can a Trust Do?

- Minimize government interference should a minor inherit
- Potentially provide a level of creditor protection
- Provide for a dependant with special needs
- Govern inheritances

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Role of a Trustee

- Establish an investment strategy for the trust's assets
- Maintain the administration and record keeping of the trust's assets
- Pay trust expenses
- Make distributions to beneficiaries according to the terms of the trust

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Considerations When Naming a Trustee

- Experience in managing financial affairs
- Fair and unbiased
- Willing to devote time and energy

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Revocable Living Trust

- Created while you're alive
- Can be changed or revoked at any time
- Becomes irrevocable at your death
- Determines who gets what when you die

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Revocable Living Trust Benefits

- Trustee may easily step in to manage property during incapacity
- Avoids probate
- Provides privacy
- More difficult to challenge than a will

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Testamentary Trust

- Created using your will
- Becomes effective at your death

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Spousal Trust

Surviving spouse receives income from trust assets

- Principal distributions may be allowed

When surviving spouse dies, trust assets pass to beneficiaries

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Life Insurance

Replaces your income for dependents

Offsets expenses

Provides immediate source of funds for beneficiaries

Generally tax free to your designated beneficiaries

Provides liquidity to support a successful transfer of a business interest according to the wishes of the deceased

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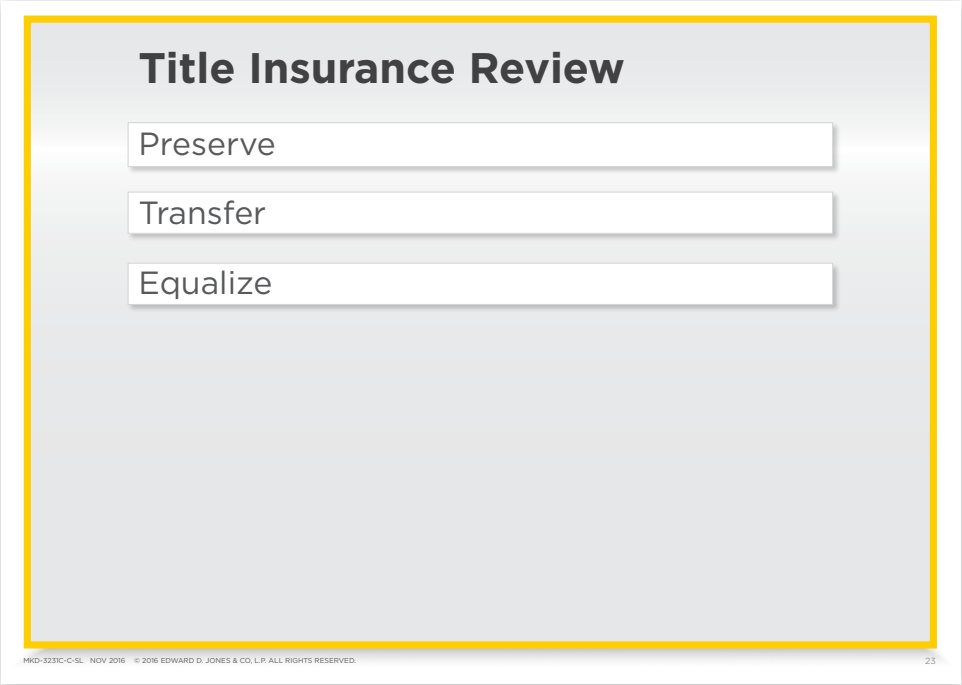

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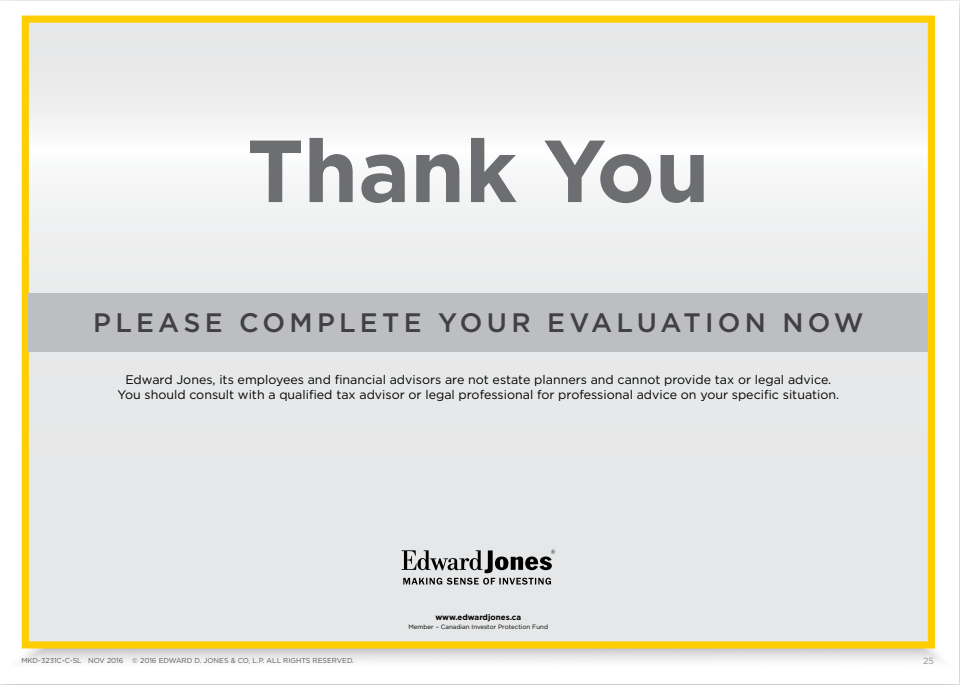

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