

# THE WHY AND WHEN OF WILLS

Why make a Will? It is estimated that one third of Canadians do not have a Will. And many others have Wills that are out of date and totally inadequate to deal with their assets or their current circumstances.

Without a Will, you are said to die “intestate” and provincial law dictates who will receive the assets of your estate.

And since no executor has been appointed by you, someone must apply to the Court to get permission to administer your estate. The person must prove he or she is an appropriate person to properly administer your estate and may have to post a bond as security. The administration of your estate will be “on hold” until someone prepares all the paperwork, contacts all the potential beneficiaries, hires a lawyer to assist them, and is approved by the judge. Of course the legal bills will mount up, and these ultimately will be payable from the assets of your estate.

Further delays occur if there are minor children or there is a dispute among family members or others as to who should be appointed to administer your estate. Where there are minor children, the Public Guardian for the province will be involved and additional consents must be obtained. Once the estate is distributed, the share of a minor will be invested by the Public Guardian and paid in full to the child when he/she reaches the age of majority whether the child is mature enough to manage the money or not!

The provincial formula for distribution on an intestacy provides for a preferential share to the surviving spouse, and the balance to be divided between the surviving spouse and children whether they are minors or adults. Where there

is no surviving spouse or children or grandchildren, more remote descendants or other relatives may be entitled to a distribution. And if after an exhaustive search no surviving blood relatives can be found, your estate will go to the government!

So why have a Will? Save your estate some money, and save your family a lot of anguish and red tape. It is the only way you can choose who will administer your estate, who will inherit your estate, and when and how it will be divided and distributed.

## Indicators That a New Will May Be Needed:

- Marriage\* or other change in marital status
- Move to a new province
- Sudden Wealth – i.e., Lottery Win or Inheritance
- Increase or Decrease in Wealth
- Passage of Time
- Change in Family Members or Circumstances
- Sale of a Business
- Retirement or Severance

\*Revokes a Will in all provinces except Quebec

## If You Have a Will, When Did You Last Review It?

Chances are that if your Will has not been redone or reviewed with a professional within the last 5 years, it is overdue. The most frequent problem with an old Will is the executor is no

longer appropriate. A Will may also need to be changed to accommodate new family members, or a significant increase in wealth since the old Will was made.

People often do not realize the size of their estate. For example a husband and wife should include the full value of all registered plans and insurance in calculating their estate. So in addition to dusting off the Will and reading it over, you should take stock of all your assets, paying particular attention to legal ownership and current value. Wealth brings opportunities

and adds complexity to your estate. Make sure your estate plan is adequate to protect your estate and beneficiaries.

Contact your Investment Advisor if you would like a copy of our informative brochure “Wills That Work”.

Wealth Management Group  
January, 2007

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