



Planning for the unexpected

Estate planning considerations during COVID-19



The COVID-19 pandemic has hit many Canadian families unexpectedly. The three things people worry about most is their health, family and finances. And in many ways, that's what's making this pandemic so hard to handle. These are the areas that for many are under attack right now.

As we witness the impact of COVID-19 on both physical and financial health, there's a sense of urgency to plan for the unthinkable. Who will make decisions about my finances and health, maybe even my life, if I fall sick?

It's natural to feel like so much of what's happening is beyond our control. However, there are ways you can be proactive and gain some peace of mind by focusing on those areas that you can control. Your estate plan is one of those areas.

Pandemic or no pandemic, planning for the unthinkable is difficult but necessary

Creating a plan for when you're no longer around can seem daunting and complex. It's an uncomfortable topic which many people tend to ignore or avoid, and often it doesn't make our list of top priorities. But one of the most important things you can do for the well-being of your loved ones is to develop a sound estate plan. An estate plan can help lay the groundwork for your wishes (for your property and your health care) to be fulfilled, your wealth to be preserved, and your assets to be

transitioned smoothly to your beneficiaries. When an estate plan is done right, it can give you a sense of peace knowing you and your family are well prepared for the future.

Almost 50% of Canadians do not have a will¹, and those that do, often have one that is outdated and not reflective of their wishes. More than ever, now is the time to think through your estate plan and update it. And if you don't have a plan, you might want to consider using this time to start putting one together while these issues are foremost in your mind.



Questions to consider:

- Who will make decisions about my family, finances and health if I fall sick?
- Who will care for my children if I'm unable to do so?
- How do I want my assets to be distributed if I suddenly pass away?
- How should I communicate my wishes?
- Are my loved ones prepared to be agents who might have to act on my behalf?

Three estate planning documents to prioritize in the current environment

1 Create a will

A will is one of the most important components of an estate plan. It's a written legal document outlining your intentions for the management and transfer of your assets. If you die without a will in place, you will have died 'intestate', meaning your assets will be distributed according to provincial laws.

Preparing a will involves:

- Naming beneficiaries for your assets
- Appointing executors and/or trustees – individual(s) who will carry out your intentions according to the details outlined in your will
- Appointing guardians for minor children (known as tutors in Québec)
- Determining the transfer of assets

If you already have a will in place, now might be a good time to review it. Ask yourself the following questions:

- Does my will reflect my wishes and recent life events?
- Are the executors and trustees I have identified still appropriate?
- Do I want to provide for anyone beyond my immediate family? For example, my community.
- How will I communicate the details of my will?
- Do my executors know the scope and location of my assets?
- If I have a complex estate, does it make sense to have a corporate executor or trustee along with a family member or as backup to provide fiduciary oversight over the management of my affairs?



Learn more: [Common will planning mistakes and how to avoid them](#)



Did you know?

Virtual witnessing is now available for wills and Powers of Attorney (POAs) in Ontario and Saskatchewan. In Québec, notaries are allowed to sign notarized POAs and wills remotely. Speak to your legal advisor to learn more about these temporary document preparation and signing options in the current environment.

2 Document your health care wishes

Whether it's COVID-19 or any other unexpected health emergency, it's always best to make sure your loved ones understand and are ready to carry out your wishes when it comes to health care. Pre-planning and open communication can help prepare family members who may be called on to make health and financial decisions for you.

As part of your estate plan, consider appointing a Power of Attorney for Personal Care². This individual can make decisions on your behalf, relating to your health care, if you become mentally incapable of making them yourself. This can include important decisions regarding issues such as health and medical procedures, living arrangements, personal needs, and end-of-life care.

Benefits of a living will

As part of your Power of Attorney for Personal Care, you may want to consider including what's known as a 'living will'. This is a statement of wishes about what you want and don't want your doctors to do if you're not able to express your own wishes about end-of-life care. This can help your family during a very difficult and emotional time.

3 Appoint a Power of Attorney for Property

A comprehensive estate plan should include plans for the management of your finances if you're unable to manage them yourself. For example, you may have an accident or illness that leaves you physically unable to carry out financial tasks. Or you may, at some point in the future, lose mental capacity, due to conditions such as Alzheimer's disease or other forms of dementia. A Power of Attorney for Property (also known as a Financial Power of Attorney) allows your appointed representative to make financial decisions and conduct financial transactions for you. While many people think that an "attorney" must be a lawyer, this is not true. You can select anyone of legal age, or even a trust company, to serve as your attorney under a Power of Attorney.



Learn more: [Planning for incapacity](#)



7 key considerations when appointing a Power of Attorney

- 1 Willingness.** Are your representatives willing and able to take on the work required to act on your behalf?
- 2 Knowledge and experience.** Do your representatives have some level of financial, taxation and legal knowledge?
- 3 Residency.** What jurisdiction do they live in? It's important to select someone close to you so they can quickly step in and act on your behalf. It's generally not recommended to have non-residents as the attorney under the power of attorney or the executor under a will.
- 4 Age.** How old are your representatives, and are they in good health? If they're close to your own age and you're all growing old at the same time, this may be a problem. In some cases, you may want to consider using a trust company, which will always be around.
- 5 Objectivity.** Will your choice cause or re-ignite family conflict?
- 6 Communication.** Do your representatives know that they've been appointed? Have you communicated your health care wishes through your health care documents or through conversations? Do they know the scope, location and value of your assets?
- 7 Review.** If you've designated individuals in the past, is this still consistent with your intent? Review regularly as you grow older to make sure whoever you appointed is still able to act on your behalf.

It's not one and done

Once you have an estate plan, it's important to keep it up to date. We recommend reviewing your estate plan every 3-5 years, or when you experience major life changes such as:

- Marriage, new relationship, separation, or divorce
- Birth or adoption of a child
- Death of a spouse, child, or other beneficiary
- Move to a different province
- Change in financial circumstance
- Health change
- Starting, buying, or selling a business
- Retirement
- Change of location and circumstances of your executor, Power of Attorney and beneficiaries

Share your plan and have those tough talks with family members early

Once you have a plan, generally it's a good idea to communicate and share it with the right people. Let them know the details and location of your will and power of attorney, and where your financial documents are stored.

For those people that are going to be actively involved, talk to them about their responsibilities. This helps you know that they're willing and ready to take on those responsibilities, have the right knowledge, and won't be caught off guard during what could potentially be a very emotional time.

It can feel like the elephant in the room, but having open communication with family members about your estate plan is extremely important. These can be very difficult conversations to have, often fraught with emotion, but making sure your plans and wishes are communicated can help to potentially avoid conflict during difficult life events. By sharing your plan and communicating your intentions, you're able to give your loved ones the confidence that your wishes are fulfilled.

Lastly, introduce your executor, attorney and beneficiaries to your financial advisor. Your advisor can be a key person to help pull things together.



We're here to help. Your advisor can bring together a team of experts to help you get started. Let's connect virtually to discuss your needs and those of your family.

¹ Angus Reid Institute Poll, 2018

² Across Canada, the Power of Attorney for Personal Care is also known as a Health Care Directive, Personal Directive, Protection Mandate or Representation Agreement, depending on the province.

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