



Estate planning – sharing the information

For many people, talking about money is considered a taboo subject. Research has shown that more than one third of Canadians avoid discussing money matters with their families. One of the more difficult financial discussions is estate planning. No one likes to contemplate his or her death or the death of a loved one.

Ruth Berry's story

Ruth Berry is Dean Emeritus of the faculty of human ecology at the University of Manitoba. She has taught family finance and family money management. She also has a background in psychology. Her father, Harry, was a former corporate executive. You'd think that two people like this would be able to have frank discussions about money.

"My dad and I had a wonderful relationship," says Ruth, "and we could talk about anything. He had a will and was well organized with his papers and records, but I had no idea if he had enough money to keep himself in a nursing home if it was needed – and secondly, whether I would have to contribute to his care and that of my mother, who had been in a nursing home for several years.

"Somehow I just couldn't ask him that, and he did not volunteer the information. Just to know that he had enough savings to cover the worst case scenario would have been comforting to his children – but we did not want to appear overly inquisitive or desirous of his resources," explains Ruth.

People's situations vary. Some, like Ruth, know there is a will but don't know whether the parent has \$5 or \$5 million in savings and feel if they raise the subject, their parents could think they are simply grabbing for their share of the inheritance. Others don't even know whether there is a will, let alone a full estate plan. Parents don't keep this information a secret to be difficult; it's usually because they have always thought of money as a private matter and to them, it always will be.

Key information you should share

You don't have to know all the details of someone's estate plan, but there are some things that are important to share.

- Where are the important documents?
- Who is the lawyer, accountant, executor?
- Are there prepared funeral instructions?
- Is there a power of attorney for personal property?





Breaking the ice

Difficult as it is, if you don't talk about your wishes and intentions, there is no way for those you leave behind to be sure they are acting according to your desires. Sharing the information can also prevent costly last-minute legal and funeral bills.

Here are some ideas for starting the dialogue. Remember, sometimes it's easier for emotional conversations to be one-on-one. Siblings might want to designate one family member to follow through on the conversation. Parents might want to decide whether it should be mom or dad who brings up the subject with one of the adult children.

- **Listen for openings.** For instance, if an adult child says something like, "I really love that necklace," the parent could say, "I'd like you to have it when I'm gone." Use it as an opener and then move on to talk further about other aspects of the estate plan. If a parent says something like: "This old silver, I think I'll sell it," it could likewise indicate a desire to talk about what is going to happen to family heirlooms and other treasured pieces when the parent is gone.
- **Start the conversation.** Discuss your own plans openly. This gives you an opening to say: "What about your plans?" Initially, an adult child could say, "I don't need to know the details, I'd just like to know that you have a plan." The parent would then perhaps respond, "I want you to know that I do have an estate plan and sometime I'd like to sit down and discuss it with you. I want to make sure things are as clear and easy as possible for you after I'm gone."

This type of conversation gets the ball rolling. A week or two later, it could get more detailed. An opener for the next level of conversation could be: "Remember last month when you told me you had a plan, well I've been wondering if I should know where you keep your important papers."

- **Be direct.** If you already have open discussions with your family, bring up the topic in a straightforward way. Say something like: "Mom / Dad, sometime I'd really like to have a discussion about your estate plans. I'm not being 'grabby.' I just want to make sure there are no misunderstandings about what your wishes are. What do you think?"



Key information you should share

You don't have to know all the details of someone's estate plan, but there are some things that are important to share.

- Where are the important documents (will, tax returns, bank and investment accounts, ownership papers, insurance papers, etc.) stored?
- Who is the lawyer, accountant, executor? Who is the guardian of under-age children?
- Are there prepared funeral instructions? Where are they? Is the funeral prepaid? If not, are there any special arrangements that should be documented?
- Is there a power of attorney for personal property? This gives legal power to a person(s) to administer financial assets if the original owner becomes incapacitated before death. Is there a health care directives document?*
- If there are under-age children, information regarding the financial arrangements for these children needs to be shared. Does the guardian also have control of the children's inheritance? Child-rearing styles, religious training, schooling, general values, dreams, etc. for the children also need to be discussed.

Make it a regular discussion

Discussing estate plans is not easy, nor is it a one-time event. Changes happen – people divorce and remarry; guardians leave the country; executors die first – so review your estate plan regularly and keep your family and other key people up-to-date. Laws change sometimes too, and it is a good idea to discuss any new laws that may affect your estate plan with a lawyer and your family.

* Called “power of attorney for health care” in some provinces and also commonly known as a “living will”



Experts consulted

AIM would like to thank the following individuals for their assistance in preparing this material:

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