



Don't Leave your Family in a Lurch!

Whether it's a sudden loss of life or the result of a serious injury or illness, the death of a loved one can be an emotionally devastating time for your family. The greatest gift you can give them is peace of mind. To do so, many important decisions with financial implications must be made sooner, rather than later. Here are practical tips to assist you through the important steps to take before it is too late.

First steps to protect your family (and business):

Will

- **Have a will and know the consequences of dying without one** – In Canada, if you die without a will you are considered to have died “intestate.” As of January 27, 2016 the *BC Wills, Estates and Succession Act* made significant changes to the distribution of your assets if you die with no will. Without a valid will, the provincial government distributes your assets for you. Seek legal advice to ensure that you don't create a legal or administrative burden for your family. For peace of mind today and your family's peace of mind in the future, making a will is an easy and inexpensive solution. Arrange for a power of attorney/representation agreement to deal with financial and health care matters. (*Ensure your spouse or trusted family member knows where the will and other important documents are kept.*)
- **Keep your business affairs in order** – It is fundamentally important to your family, employees, managers and co-owners that the business you have created can continue without you. A lawyer, accountant and insurance broker will be able to provide you with a number of options in the event of your death. The recent changes to the *BC Wills, Estates and Succession Act* has made it more important than ever to make a will that includes plans for your business' succession after your death.
- **Emergency contingency plan** – Assign individuals responsible for executing business decisions in the event of a disruption or sudden death. Outline clear procedures within your plan and describe the responsibilities, leadership, and coordination during the recovery period. Address initial actions to be taken — for example, notification to family, co-workers, and family members who may work in the business. Have response teams organized for securing the scene, collecting of names and contact information of all workers and witnesses; preserving the scene and evidence, photos and measurements, ensuring respect for the deceased. Arrange materials and equipment movement from accident site, counselling services and a return-to-work process for staff if required. Dedicate a spokesperson who will speak on behalf of the business if contacted by the media.
- **Family business** – For families in business together, planning for either the sudden or inevitable death of its founder or current leader is complex and easy to put off. Explore how to react, manage and clarify assumptions, fears, tension, and family dynamics.
- **End of life planning** – Discussing your thoughts, values, and desires will help the people who are closest to you to know what end-of-life care you want. Discussing life-prolonging measures, organ donation, funeral arrangements and other decisions will make it easier for your family. Encourage a discussion; there is no right or wrong plan (except not having one). Document important information for obituaries.

Benefits

- Do you have a health benefits plan including life insurance?** – Explore plan options, determine your coverage needs, and understand the basic criteria to qualify for coverage.
- Know your benefits and understand your coverage** – Gaps exist between services and can create financial stress to your family if your coverage is insufficient. Examine and understand your policies for life insurance and medical coverage and keep your beneficiary information up-to-date.
- Keep your employee records current** – The benefits information that you have in your personnel file is crucial, particularly in the event of a death claim. (Changes in hours or salary change coverage.) The insurer must have the original signed forms to determine the beneficiary in the event of a death. Keep employee contact information current (include emergency contact and alternative contact information), maintain employee records and documentation of training, employee assessments, supervisor training, WorkSafeBC procedures, job safety breakdowns, equipment inspections, operating manuals.
- Canada Pension Plan, Employment Insurance** – Understand tax implications and eligibility of survivor benefits for a spouse, common-law partner or child of a CPP contributor.
- Claiming your benefits** – All benefits have claiming deadlines, application processes and restrictions. Know what these are before you or your beneficiary try to collect a benefit.

Finances

Create an inventory of the assets and liabilities of your estate and periodically review and update it.

1. Assets

- Home and/or vacation property
- Personal property such as cars, jewelry, art, recreational vehicles
- Bank accounts, contents of safety deposit box
- Registered and non-registered investments
- Face value of annuities and insurance policies
- Pension assets, current value of any businesses you own
- Stocks, shares

2. Liabilities

- Mortgages, deeds
- Investment debt
- Credit cards, lines of credit, loans

3. Documentation

- Original will and power of attorney
- Birth and marriage certificates
- Marriage or prenuptial contracts
- Social insurance number

- Banks and financial institutions, brokerage firms (include account numbers, passwords)
- Stocks and shares (certificate location)
- Copy of most recent income tax return
- Passport
- Insurance policies (life, health, home, vehicle)
- Location of safety deposit boxes/keys
- List of professional advisors – accountant, lawyer, financial advisor, insurance providers
- Names and addresses of executor(s)/trustee(s) and beneficiaries of your will
- Names and addresses of guardians/tutors for children (if not set out in your will)

Checklist for a Widowed Spouse:

First Steps

- Locate the will – power of attorney, enduring power of attorney executor, beneficiaries
- Make funeral arrangements and write an obituary
- Assemble a team – you may need a lawyer, an accountant and a financial advisor to settle your spouse’s affairs.
- Order a death certificate – obtain numerous copies
- Submit accident reports if required – WorkSafeBC, Coroner’s report, employer report

What to apply for:

- Applicable government benefits – Canada Pension, Old Age Security, Allowance for the Survivor, Employee and Family Assistance Program (EFAP)
- Insurance claims – you may be eligible for group, life or accident insurance benefits
- Company pension plans – you may be entitled to payment from an accrued pension plan that was not paid out

What to cancel:

- Personal identification – driver’s license, passport, health insurance cards
- Social insurance number
- Credit cards or other charge accounts
- Remove spouse from joint accounts and credit cards
- Memberships and subscriptions

Benefits eligibility:

- Survivor benefits – Canada Pension Plan, Allowance for the Survivor and Old Age Security
- Contact employers (current and past) and unions – if employed at the time of death, spouse may be eligible for group, life or accident insurance benefits, WorkSafeBC claims, Employee and Family Assistance Program (EFAP)
- Insurance claims – personal and work coverage
- Income Assistance
- Check employer ability to extend health benefits

Managing Finances:

- Assets – property deeds, mortgage payments, rent payments
- Savings – banks and credit unions
- Investments – stocks and shares
- Debts – credit cards, loan payments, utility bills, other unpaid bills
- Preserve your assets – seek financial advice for your future
- Revise your will

Helpful Resources:

1. Counselling Services – BC Association of Clinical Counsellors 250.595.4448
2. Funeral Services – Funeral Service Association of BC 250.592.3213
3. Government of BC – 604.713.0360 - <http://www2.gov.bc.ca/gov/content/life-events>
4. Disability Related Information - <http://www.cra-arc.gc.ca/E/pub/tg/rc4064/rc4064-15e.pdf>
5. Medical Expense Tax Credits - <http://www.cra-arc.gc.ca/tx/tchncl/ncmtx/fls/s1/f1/s1-f1-c1-eng.html>