

Private and Confidential

December 07, 2020

File No. 12345

John Sample
123 Anywhere Blvd,
Toronto, Ontario
M9Q 5U7

By Email

Dear John:

Re: Preparation of Estate Documents

Thank you for retaining me to prepare your Will and Powers of Attorney.

Safekeeping

You have instructed us to return the following original documents to you for safekeeping:

1. Will
2. Powers of Attorney for Property (1 copy)
3. Powers of Attorney for Personal Care (1 copy)
4. Insurance Declaration

As I mentioned, it is important that these are kept in a safe place.

If the original Will cannot be located at the time of death, it may be presumed that you did not have a Will or that you had intentionally destroyed it. In that case, your estate would be distributed as if no Will ever existed. If you ever simply misplace or lose the original, send an email to me or your executor to let them know that you may have lost the original but that you did NOT intend to revoke it. That may be of assistance as a temporary measure until you can either locate the original or re-sign another version.

I suggest that you inform the executor of the location of the original Will.

The original Powers of Attorney are equally important. I recommend that the original Power of Attorney should be easily accessible to the person named in your Power of Attorney.

You have instructed us to hold in our safekeeping the following original documents:

1. Powers of Attorney for Property (1 copy)
2. Powers of Attorney for Personal Care (1 copy)

You have signed an escrow agreement that confirms when these can be released and to whom they can be released.

Review

As I mentioned, it is very important that you review your Will regularly, perhaps every few years.

If there is a major life change, such as the death, disability or incapacity of a beneficiary, guardian or executor, your marriage, separation or divorce, birth or adoption of children, significant acquisition or disposition of property, change of residency or citizenship or other similar changes, you should immediately review the Will and consult me to determine its effect on your Will.

Specifically, if any of your beneficiaries start to receive disability related government assistance, you should reconsider your bequest to them as those gifts may disentitle them from the government benefits.

All of our discussions with you and the preparation of your estate planning documents were premised upon current applicable laws. Likewise, the comments in this letter reflect current applicable laws. If any of those laws change in the future, a review of your documents may be a good idea to ensure that these legal changes have not adversely affected your plan. However, we do not assume any responsibility for advising clients of changes in the law or for monitoring the impact such changes may have on their particular estate plan. For that reason, we suggest that you contact us in two to three years' time to see whether there have been any changes to the law which may require changes to your documents.

If you wish to change your Will, I caution you not to make handwritten notes on the Will, as these may either not be binding or will lead to confusion and possible litigation. I strongly suggest that you see an estates lawyer to assist you.

Your Will contains a suggestion to your Trustees to follow a non-binding list regarding your personal effects. If you wish to include one, make sure you keep it with the Will.

As I explained, an absolute gift means that the beneficiary can do whatever he or she wishes with the inheritance received. If anything is not spent by the beneficiary during their lifetime it will be distributed under their will to whomever they wish to benefit.

I confirm that I have relied on your information regarding your assets and have not, in accordance with your instructions, independently verified their value, account or policy numbers, legal description or manner of ownership. Consequently, I cannot provide an opinion on whether any of them pass automatically on death or to whom they will pass.

Foreign Advice

You have advised me that you are not a US Citizen. I am also proceeding on the basis that none of your beneficiaries are foreign citizens or residents.

As confirmed in our retainer, I am not permitted, qualified or retained to provide you with any advice regarding how foreign succession or tax laws will impact your estate or your beneficiaries. I advised you that if you have concerns or questions, you should contact a lawyer in the jurisdiction where you own property, or where you or your beneficiaries are citizens or residents, in order to determine if any special advice is required.

I confirm that you wished to proceed at this time with your documents without the benefit of foreign advice.

Tax Advice

I confirm that I am not providing you with any income tax planning advice regarding your estate plan. If you are concerned about income tax planning for your estate, I recommend considering retaining a tax specialist to provide you with advice in this regard.

Registered Plan Designations

I would point out again, that the designation of beneficiaries in the "Funds and Plans" Section (dealing with your registered assets and any other similar plans)

apply only to those plans which are in existence at the date of the signing of your Will.

If you sell, transfer, purchase or add any plans, or convert your RRSP into a RRIF, this beneficiary designation will not apply to them. Therefore, if you wish to have a beneficiary named for those plans, you must either revise your designation or designate the beneficiary by attending at the financial institution holding your Registered Plans or other plan and sign a new beneficiary designation.

As we discussed, certain registered assets are taxable unless they pass directly to a surviving spouse and the spouse elects to roll over those assets into his or her own Registered Plan. If this election does not occur, the income tax related to those assets can be up to 50% of its value.

Insurance Declaration

I would point out again, that the designation of beneficiaries in your Insurance Declaration applies only to that specific policy. Should you sell, transfer, purchase or add any policies, that beneficiary designation will not apply to them. Thus, if you wish to have a beneficiary named for a new or different policy, you must either sign a new Beneficiary Declaration or designate the beneficiary by attending at the insurance company holding your policy(s) and sign a new beneficiary declaration. It is important to notify the insurance company of your designation, since if they are unaware of your beneficiary designation in your Will, they could pay out the proceeds to the beneficiary named in their records.

Multiple Wills

I confirm we discussed the use of multiple Wills to reduce "probate tax". I confirm your instructions to proceed with a single will, rather than multiple wills. If you have questions about whether to implement a multiple Wills strategy to reduce probate tax in the future, please feel free to contact me.

Guardianship of Minors

As I told you, guardians named in Wills only have legal authority to act for 90 days after death. Within that time period, it is usual for the person or persons named to apply to court to be approved as guardian.

I also recommend that you leave a letter to your guardians and trustees about any specific wishes regarding education, religion, upbringing, or other matters.

As I cautioned you, these writings are not binding, but are helpful to guardians and trustees.

Children born out of Wedlock

I confirm that you do not wish to benefit any person born outside of marriage unless he or she is treated as a child in the opinion of your trustee. The Will, therefore, includes a clause effecting that intention.

I confirm that you did not want to include any person's children who were conceived after death using stored genetic material.

Powers of Attorney

As I mentioned to you, by executing a general Power of Attorney for Property, you are giving the person named in it the authority to deal with your finances and other legal matters on your behalf. A Power of Attorney is a powerful document and can be misused by that person to your great detriment.

This authority is effective immediately after execution of the document, however, to utilize the authority the person you named in the document must present the document to the financial institution. Therefore, if you wish to ensure that the person acts only if you become mentally incapacitated, we advise you to keep physical possession of the Power of Attorney while letting that person know the whereabouts of it if that circumstance arises.

Your Power of Attorney may be revoked at any time. To revoke a Power of Attorney requires a similar process to signing a Power of Attorney. You should consult me if you wish to do so. If you wish to revoke your Power of Attorney, you must give notice in writing to the person named in it and any third parties with whom he or she is dealing.

Your Power of Attorney for Personal Care is only valid should you be unable to manage your own personal care. In that case, the person appointed is permitted to make personal care decisions for you. That person is also permitted to provide or withhold consent to medical treatment on your behalf if you are unable to do so yourself.

That person is required to follow your last known wishes in making these decisions.

If you travel to other jurisdictions or have assets in other jurisdictions, I recommend that you prepare Powers of Attorney in those jurisdictions since your Powers of Attorney may not be recognized there. You should ensure that your foreign Powers of Attorney do not revoke the ones you signed with our office.

Once again thank you for choosing me. Should you have any questions or concerns in the future, please always feel free to give me a call.

Yours very truly,

Jordan Atin

