

How To Help Your Widow

This series is furnished by R. Scott White, a life underwriter and a graduate of the Osgoode Hall Law School. They are written by him and other writers including lawyers, accountants and investment people exceptionally knowledgeable in their fields.

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Just after her husband's death, a physician's widow of 47 with three teenage children was asked, "Do you know anything about your husband's estate?" She answered simply, "No".

Many men do not tell their wives much, if anything, about their estates. It might be added that quite a few men don't know much about their estate either.

Why are wives not better informed? There can hardly be any question of its enormous importance to them. But they often seem to regard the subject as taboo. Many may assume it is all reasonably well taken care of and they will be adequately looked after, although one finds this a bit naive. There are signs, of course, that women are beginning to assert themselves more in this very vital area of their interests.

The purpose here is to outline a few

simple steps for a man to take that will make things easier for his family when he dies. They won't cost any money and they won't make his estate any larger, although it is quite conceivable they may prevent it from becoming smaller by reducing expenses.

As part of this article is a sheet entitled "Information For Heirs And Executors". It is designed to be completed carefully, thoughtfully and legibly and placed in a known location where it can be found readily. One such place would be with a life insurance policy wallet and/or a will.

The form should first of all be dated. This indicates at once how current and therefore how reliable the information is. And as the form is revised from time to time, it should be redated.

The Will

The time-honored instrument in estate settlement is the will. Today, however, in any one person's affairs it may well play only one and perhaps even a minor role. Life Insurance, employer pension plan and Registered Retirement Savings Plan death benefits are often, and for good reasons, directly payable to widows. Homes and cottages may be held in joint tenancy with a spouse with the result that the survivor takes ownership. Quite frequently too a house or cottage shared with a wife is registered in her name only.

Nonetheless, only in rare circumstances is a will unnecessary. The absence of one can generally be considered a dereliction of duty. It is likely to lead to undesirable results, confusion and unhappiness and higher costs. And wills should be drawn by lawyers and in many cases by lawyers specializing in estate matters.

There is no particular place to file a will, such as a registry office for deeds of land. They are usually kept in safety deposit boxes, at home, at the trust company which is named as executor, or at the office of the lawyer who drew the will. If a person wishes, however, he may file his will with the local surrogate court office.

It is necessary to obtain the original will shortly after death occurs and if it is kept in a safety deposit box, it can be removed from the box in the presence of a bank official. This is also true of the

deed to the cemetery plot which may be urgently required. No other contents can be removed and the box is sealed and can be opened only in the presence of a bank official. Safety boxes in the name of a deceased or his spouse, or jointly with another person, are sealed.

As everyone knows, a record is kept of safety-box visits. If a box is opened after a person dies and without the presence of the bank official, an affidavit will be required by the visitor as to what was removed.

It is to be expected that original wills which have been placed for safekeeping with lawyers and trust companies are properly filed for prompt reference and presumably in fire-proof vaults. In addition to noting location of the will on the form, receipts for it from the law firm or trust company, as the case may be, should be available at hand.

A complete copy of the original will (which is usually—and should be—prepared and delivered with the original) showing the date of signing and the name of the witnesses inscribed thereon can be kept ready for reference at home and for use in discussion with estate advisers when the need arises.

If a will is kept at home, it should be placed where it will be as safe as possible and not likely to be removed, presumably with other important papers such as life insurance policies and preferably in a fire-proof box or safe.

Every properly drawn will has a clause revoking earlier wills. Revoked wills should be destroyed. If they are not, confusion and even serious problems may arise. When a will is revoked, assuming a different lawyer or trust company is now involved, it is good practice and common courtesy to notify the party who has the original will on file and ask that it be returned so it can be destroyed.

The names of executors and sometimes beneficiaries should be shown. Choosing executors is something of a subject in itself. In most instances it is straightforward but in special circumstances careful thought needs to be given to it. If an estate is being left outright to a widow, she will have in any case complete control of the estate in a matter of months, if not weeks, and it would seem that she might as well act as sole executor from the outset and save some expenses. She would, of course, seek the services of a lawyer to carry matters through the estate settlement.

In the case of beneficiaries, occasionally the whereabouts of certain ones may present a problem and their names and addresses should be recorded if known.

Bank Accounts

The whereabouts of bank accounts may seem a simple matter but many bank accounts are unclaimed. Old pass-books should be destroyed and the whereabouts of active ones listed. Also the location of safety deposit boxes and keys should be noted.

Life Insurance Policies

Life insurance policies are frequently kept at home—again, preferably in a fire-proof box. They are not likely to be intentionally stolen, but if destroyed by fire or lost, the insurance companies will replace them with satisfactory substitutes. Many are kept, of course, in safety deposit boxes. The companies should be listed together with the policy numbers.

Advisers

Amongst the most important items, and possibly the most difficult to complete, is the list of advisers to whom the widow or family will have to turn.

The life insurance man could very well be the first man the widow has to call, to quickly get cash with which to carry on. In the case of policies payable to a widow, considerable amounts can be paid out in a matter of hours without the delay of tax settlement or tax department approval.

If an insurance man with whom the widow would have liked to have dealt is no longer available, she or her solicitor should get in touch directly with the insurance companies which will readily inform her of their requirements. However a good life insurance man is of great value in quickly having the necessary forms completed, advising her of her options and getting cash.

The solicitor is the key figure in estate settlement and careful thought should be given to this selection. Many people have few transactions with lawyers over a lifetime. Frequently the testator has an obvious choice in mind but not always. If not, he can tentatively suggest someone or suggest that some friend or relative or business associate be consulted on the matter. This leaves the final selection up to the executors—not always a satisfactory state of affairs.

If the testator does not wish the lawyer with whom the will is filed to act, he should recall his will while living to save his wife any embarrassment.

If a trust company is an executor, the name of the trust company and the name and address of the trust officer with whom the testator has been dealing should be shown.

A banker may or may not be of direct assistance in estate settlement. However if a banker is well-known to

the testator, he should be named and no doubt will be of help to the widow. The bank can also make some cash readily available with limited formalities.

Brokers and investment dealers should be named. There may well be money on account and share certificates held for safekeeping in broker's offices. The executors should be informed as to what broker or investment adviser the testator regards as most satisfactory for their purposes. These might be different from his own during his lifetime. If the testator has an agency investment account with a trust company, the company and the trust officer should be named.

Very often business associates should be included in the list—but this should be regarded with some care. Partners and others may have interests conflicting with those of the estate, and the extent to which a widow should consult them may be questionable. However, if the testator is an employee of a company with group insurance and pension benefits, the employee or company officer responsible for the administration of such plans should be noted together with the names of trusted business associates whose judgment is respected. The same thing applies to all former employers if there should be accrued benefits forthcoming. This is extremely important since the various options for settlement of proceeds from these plans must be carefully explored because of income and tax considerations.

If a person is in business for himself, the question of continued business ownership and operation or disposal arises. The names of persons who might possibly purchase a business or continue it on some basis is vital information together with some details of the extent discussions have taken place on this subject.

Location of Valuable Papers

Stocks and bonds should be kept in safety deposit boxes or similar safe places, as should business and personal agreements which, if lost, stolen or burned would be irreplaceable.

Income tax returns should be retained for some years. In the case of Ontario, the last five years are usually required by the Ontario Succession Duty Office. Of course the whereabouts of account books of investments, business, etc., are very important. Papers and documents should be examined from time to time for obsolescence and if indicated, destroyed.

Funeral Arrangements

The disposition of your body is a matter primarily for your executors and failing them, your next-of-kin. Any special wishes regarding cremation or donation to science should be put into

your will to give the matter authority, but they could also be spelled out in a form such as we are discussing. Funeral arrangements can be made in advance. This is done fairly frequently, but may not appeal to many people. Some instructions could be helpful—the name of the funeral director you may wish to be used and some idea of the cost and nature of the funeral service.

And, of course, the whereabouts of the deed to a cemetery plot, if there is one in existence, is important, and the location of the plot itself if the family is unaware of it. If there is no plot, an expression of wishes in this respect could be made.

In the past, men frequently waxed sentimental in their wills, perhaps with preambles of faith and admonition. Today's wills are coldly legal—hopefully, correctly so. Nothing of the man shines through. It could be argued that this is too bad. After all, it is his last chance to say anything and it is his last chance to influence affairs from beyond the grave which he would do hopefully with love and affection or even, if so inclined, with a touch of selfrighteousness or acrimony.

In any event, the completion of such a document presents the opportunity for him to add a touch of himself should he choose to do so.

If you haven't completed such a form, you should do so. It should be reviewed from time to time—for example, prior to a sojourn in a hospital or an extensive trip—amended if necessary and redated. Put it with any other instructions in a sealed envelope, mark it "Information For My Heirs and Executors" adding if you wish "to be opened only in the event of my death". Seal it and put in a safe place where it will be found and tell your wife about it.

THE LABORERS'

INTERNATIONAL UNION

OF NORTH AMERICA

Has served notice on two Toronto based survey firms, that it has made formal application for certification (Construction Industry) of locals within those firms.