

The Value of Estate Plans

Only extremely wealthy, older individuals need to think about estate planning, right? Wrong. The truth is that no matter what age or stage of life you are in, it is important to have an estate plan. Whether you have a considerable inheritance to leave behind or whether you may not think that your assets amount to enough to go to the trouble, creating an estate plan is a choice that you cannot afford not to make.

The purpose of estate planning is to help you arrive at an effective arrangement of your personal affairs that will satisfy your objectives during your lifetime. It involves carrying out various steps for the management of your financial affairs to meet your long-term plans and wishes. It also concentrates on the eventual disposition of your assets to your beneficiaries.

Whether you are:

- young and just starting out, and looking for a way to preserve your family's standard of living in the event of your death;
- middle-aged and looking for a way to protect you and your family's changing financial needs;
- older and looking for a tax-efficient way to transfer wealth to your loved ones;

There are a variety of types of insurance products that can help you achieve some of your estate planning objectives.

Life insurance is a relatively simple, cost effective method of ensuring that certain elements within an estate plan are implemented. In addition to traditional estate-planning applications, life insurance products invite creative and innovative tax and estate planning opportunities.

Life insurance is an effective estate-planning tool, as it is a means of providing for the well-being of your loved ones, in the following ways:

- income replacement
- providing an emergency fund
- paying for final expenses such as funeral costs and probate fees (estate settlement costs)
- creating a future education fund for your children or grandchildren or even great-grandchildren
- funding tax liabilities that arise upon death
- providing a legacy for future generations

 **ScotiaMcLeod
Financial Services Inc.**

 **ScotiaMcLeod
Financial Services (Ontario) Inc.**

 **ScotiaMcLeod
Financial Services (Quebec) Inc.**

Insurance

You may think that life insurance can only be used as a way to protect your family against an unexpected death. However, life insurance and more specifically, Universal Life or Whole Life insurance can also be an important part of your estate plan. Among their many uses, these insurance plans offer permanent insurance protection, providing an immediate estate value, as well as tax-sheltered growth on cash values accumulating within the policy. At death, the proceeds of the policy are paid tax-free to your heirs.

Many individuals view estate and insurance planning preparation as a distant possibility, however, it should be visited and revisited whenever there is a change in circumstances, brought about by life events such as marriage, divorce, children or death of a family member. Putting your affairs in order now to provide for your family is an important step. Once you have this peace of mind, you can then focus on the more important things in life – like spending time with the people in your life that matter most.

For information on how life insurance products can help you create a lasting legacy to those you love, contact your life insurance licensed ScotiaMcLeod advisor.

 **ScotiaMcLeod
Financial Services Inc.**

 **ScotiaMcLeod
Financial Services (Ontario) Inc.**

 **ScotiaMcLeod
Financial Services (Quebec) Inc.**

All insurance products are sold through ScotiaMcLeod Financial Services* companies. ScotiaMcLeod Financial Services companies are the insurance subsidiaries of Scotia Capital Inc., a member of the Scotiabank Group. When discussing life insurance products, ScotiaMcLeod Investment Executives are acting as Life Underwriters (Financial security advisors in Quebec) representing ScotiaMcLeod Financial Services.

ScotiaMcLeod Financial Services includes: * ScotiaMcLeod Financial Services (Ontario) Inc. * ScotiaMcLeod Financial Services (Quebec) Inc. * ScotiaMcLeod Financial Services Inc.