

FEREBEE WEALTH MANAGEMENT

Fall / Winter 2013 Newsletter



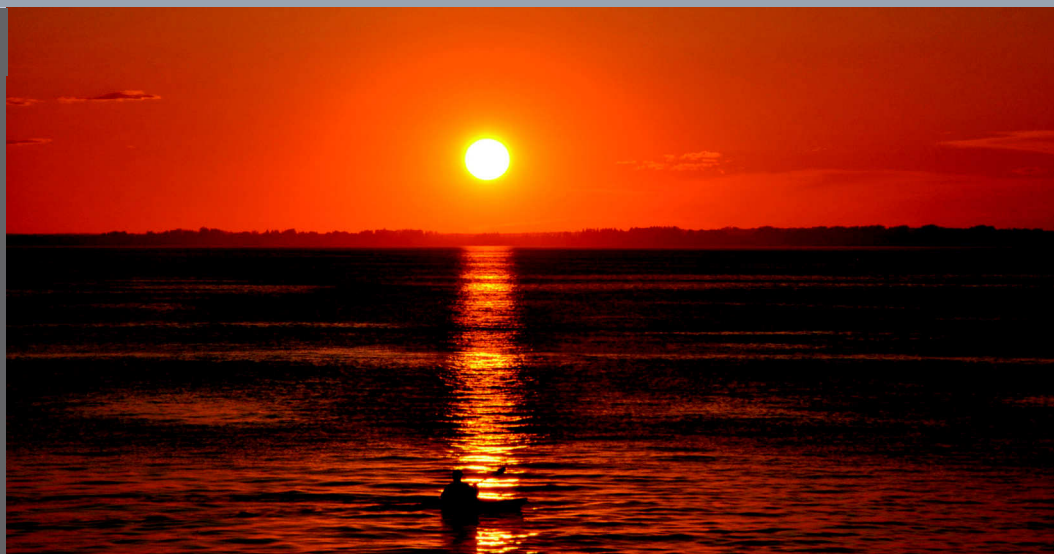
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The Sun has set on Summer

If you are ever thinking of taking an Alaskan cruise I highly recommend it. This fall I took my mother on the Celebrity Cruise ship to Alaska and she was delighted. We enjoyed the views of the open water travelling on the inside passage from Vancouver to Ketchikan Alaska. In addition to our port stop in Ketchikan we stopped to see the Hubbard Glacier which was breathtaking, we ported at Icy Strait Point in Hoonah for sightseeing, and in Juneau where we did an excursion to the Mendenhall Glacier and Glacier Gardens. Each time we pulled into port we were welcomed with perfect weather and friendly people. The cruise offered so many activities laid out for you, your biggest decision was choosing which ones to do. To our surprise cruising to Alaska in September is also a very economical time to go, not only are the fare prices more reasonable but all the souvenirs and items you may desire to buy are all marked down to half price or more. (Which tells you how much they mark everything up!)

In the month of August, investors were left to filter through public comments from Federal Reserve officials for direction on the central bank's plans to reduce asset purchases (i.e. 'tapering'). Fed officials were broadly supportive of the tapering plans but did not provide details about timing. Market participants expect that 'tapering' will begin in September, however, the RBC CM forecast is for an October start-date. There are a number of obstacles in the short term that could delay the Federal Reserve's decision to reduce asset purchases (German elections, U.S. debt ceiling or the conflict in Syria) making it difficult for investors to determine an exact start date.

Markets today versus a year ago

September 3, 2012 vs September 3, 2013
TSE \$11,942 vs TSE \$12,741
Dow Jones \$13,036 vs Dow Jones \$14,834
Gold \$1,697 vs Gold \$1,392
Silver \$32.32 vs Silver \$24.27



RBC Wealth Management
Dominion Securities

THE HIDDEN RISKS OF ACTING AS AN ESTATE EXECUTOR



There is a good chance that at some point, you will be asked to be an executor to someone's estate – if you haven't been asked already. The request may come from a spouse, a parent or a close friend, and you may be well inclined to accept. But do you know what the job entails?

The truth is, settling an estate can be a very complicated and time-consuming process. It can mean a deluge of responsibilities that could take years to carry out: managing investments, selling real estate, dealing with upset beneficiaries, even making funeral arrangements. And you may be trying to accomplish all of this while you yourself are mourning the loss of your loved one. What's more, executors are personally liable, so it will be your responsibility to see to it that everything gets done properly.

According to a recent Ipsos-Reid survey conducted on behalf of RBC Estate and Trust Services, less than half (47%) of Canadians said they were familiar with what's involved in being an executor of a Will. In fact, more than one quarter (27%) said they have no idea how long it will take.

If you're considering, or have accepted, a request to be an executor for someone's estate, there are some important considerations to bear in mind.

EXECUTOR DUTIES ARE NUMEROUS

Whether it's collecting life insurance, applying for death benefits, filing a tax return or making a probate application, the range and complexity of executor responsibilities can be daunting. In fact, depending on the size of the estate, there can be upward of 70 individual tasks expected of an executor, some of which can carry a liability risk.

ESTATES CAN TAKE A VERY LONG TIME TO SETTLE

The survey also found that 37% of respondents believe the process will take less than six months and 54% estimate less than a year. But depending on the size and complexity of the estate, it can take anywhere from an average of 18 months, to up to four years.

YOU MAY BE WORKING THROUGH YOUR OWN GRIEF AND SORROW

Dealing with the death of a loved one is often very difficult, and the added demands of settling that person's estate can make the situation far more trying. Be sure to ask yourself how well you think you will be able to carry out your duties while in mourning yourself, and don't be afraid to raise your concerns with the person who has asked you to be their executor.

CONSIDER FAMILY DYNAMICS

Don't be shy to ask if there is existing family tension and to consider how a dispute among family members and friends may affect you. As the executor, you may have to deal with discontented beneficiaries, especially if the estate is unequally distributed.

YOU CAN SEEK HELP

If you feel uneasy about being named an executor or you don't think you will be able to handle the responsibility effectively, you have options. If it is not something you feel you can turn down, but you still have concerns about dealing with all the duties involved, you can seek out professional assistance for some or all of your duties – whether that assistance is provided by a trust officer for a trust services company, a lawyer, or an accountant.

FOR INFORMATION ON AGENT FOR EXECUTOR PLEASE CONTACT STEPHANIE AT 250-770-1204.

HELPING YOU CREATE YOUR CHARITABLE LEGACY

Canadians are well known around the world for their generous support of charitable causes. Whether it's by volunteering their time, providing their expertise or donating funds, Canadians are making a real difference in many ways. They're helping people in need, funding life-saving medical research, supporting the arts and culture, improving our education system – and more.

With this support becoming increasingly vital to charities faced with funding shortfalls, Canadians are giving more than ever before. Canadian individuals made \$8.6 billion in charitable donations in their 2011 tax returns – up from \$8.3 billion in 2010.

As Canadians become more focused on charitable giving, they're considering the different ways they can give – everything from one-time donations to more enduring gifts. If you're considering how to give an enduring gift to charitable causes important to you, you have many different choices, including establishing a private foundation, endowment fund, or charitable remainder trust.

A convenient alternative

While certainly worth considering, many of these options involve considerable setup costs and an ongoing time commitment to handle administrative duties. If you prefer a more convenient alternative for creating your charitable legacy, you may want to consider the RBC Dominion Securities Charitable Gift Program.

The Charitable Gift Program is specifically designed for individuals and families wishing to support charitable causes in a meaningful way, without the time and cost associated with establishing a private foundation. Through this program, you can make initial and ongoing contributions to a charitable gift fund administered by the Charitable Gift Funds Canada Foundation (CGFCF), one of the leading charitable foundations in the country.

You can contribute cash, appreciated publicly listed securities or other assets to the fund, then recommend grants to the charitable organizations of your choice based on the amount of accumulated investment

earnings available in your account. You can also recommend an investment strategy for your gift contributions, choosing from a wide range of options professionally managed by your RBC Dominion Securities advisor.

The foundation handles all the administrative details.

Tax advantages

You receive official charitable donation receipts for the full fair market value of your contributions. In addition, when you donate certain securities that have appreciated in value, you may be eligible for a tax exemption on the capital gain.

Enduring family legacy

The program helps you create an enduring family legacy fund. Like a private foundation, you can also give your fund a unique name that reflects your family's legacy, such as The Smith Family Fund for the Arts. You can also name grant advisors and successors to your fund so your family's legacy continues. If there are no surviving successors after you pass away, the foundation will continue your legacy by awarding grants to eligible charities consistent with your original intent.

Please contact Natalie if you are interested in more information on the Charitable gift program.



THANKSGIVING LEFTOVERS? TRY SWEET POTATO POUND CAKE.



Yields: 8 slices (1 loaf)
Total Time: 1 hr 40 min
Prep Time: 20 min
Over Temp: 325°

Ingredients

1 1/2 cup(s) all-purpose flour
1 teaspoon(s) baking powder
1 teaspoon(s) ground cinnamon
1/2 teaspoon(s) ground nutmeg
1/4 teaspoon(s) baking soda
1/8 teaspoon(s) salt
1 stick(s) unsalted butter, at room temperature
3/4 cup(s) granulated sugar
1/4 cup(s) light-brown sugar
1/2 teaspoon(s) vanilla extract
1 cup(s) leftover mashed sweet potatoes
2 large eggs, at room temperature
Non-stick baking spray with flour
1/2 cup(s) chopped pecans

Directions

1. Preheat oven to 325 degrees F. In a medium bowl, sift flour, baking powder, cinnamon, nutmeg, baking soda, and salt.
2. In a large bowl and using an electric mixer on medium, cream butter, sugars, and vanilla until light and fluffy. Blend in sweet potatoes; then eggs, one at time. With mixer on low, add flour mixture in thirds; blend just enough to combine.
3. Spoon batter into a greased 9-inch loaf pan. Sprinkle pecans atop batter. Bake until cake tests clean when a skewer is inserted into center, 65 to 75 minutes. Transfer pan to a wire rack to cool, about 15 minutes. Release cake from pan to cool completely.

KEY DATES

Oct 14th - Oct 18th - Natalie in Terrace/ Smithers



On a green note if you would like to receive this newsletter by e-mail contact Stephanie.

If you know someone who would like to receive this newsletter contact Stephanie at stephanie.frey@rbc.com or (250)770-1204



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