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**Wealth
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From the desk of
David Agnew

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The holiday season is often a time to reflect on what we've accomplished over the year. It is also a good time to think about planning for your financial future, taking care of your family and giving back to your community.

In this issue of *Perspectives*, we will explore unique wealth challenges faced by Baby Boomers and how everything from estate and wealth transfer planning to business succession planning can help reduce some of the pressure families may be feeling. In addition, we will discuss the considerations for effectively choosing the right executor and the importance of having a Will. While this may be an emotional topic for many, it's a crucial step to protecting yourself and your loved ones.

We also feature articles that highlight how giving is an important part of leaving a legacy. In "Bringing new meaning to giving," we look at how adopting a more structured planning approach to giving can help individuals achieve their objectives while expressing their values. And we also discuss the benefits of having a formal plan in place for giving personal treasures, collections and property.

Ensuring younger generations have a strong foundation of financial literacy is also essential to protecting your personal wealth, as well as Canada's future prosperity. In "The roots of success," we discuss the importance of nutrition in healthy brain development and the impact being physically active has on learning. Finally, this issue provides information on the new RBC Wealth Management Financial Literacy Program coming in 2018, which offers youth a comprehensive, structured approach to building sound financial management skills.

I encourage you to speak with your RBC Wealth Management advisor about any of the topics covered in these articles and to learn more about RBC's wealth management strategies and how they can work for you and your family.



David Agnew, CEO,
RBC Wealth Management Canada



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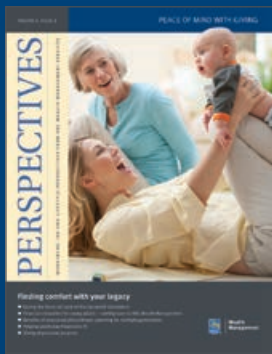
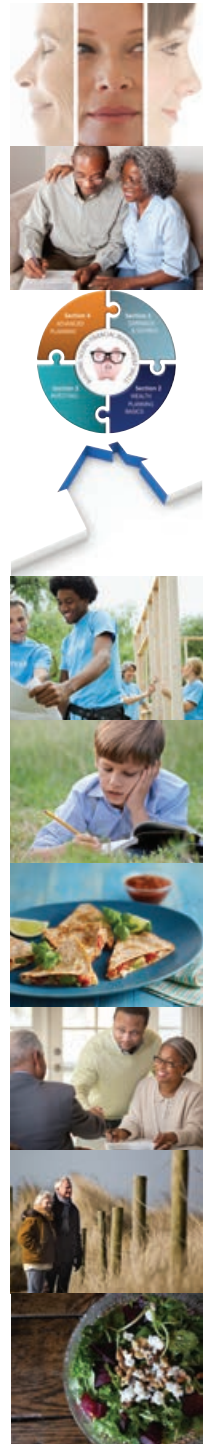
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This article is part 2 of “Life in the Sandwich Generation,” featured in *Perspectives* Volume 1, Issue 1, Summer 2011. To read the original, please visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-1-issue-1.pdf (page 26).

Feeling the multi-generational squeeze

Wealth challenges faced by the Sandwich Generation
and how planning can help alleviate the pressures.

Changing times, changing needs. It's a simple statement, but one that carries significant weight when applied to the large-scale shifts taking place among the Canadian population, and the demands those shifts may create. In fact, according to the 2016 Census data, Canada has just recently experienced some historic changes when it comes to population distribution and longevity, ones that are staged to become even more pronounced in the coming decades. For example, there are officially now more seniors in Canada than there are children, which is the first time in history this has occurred. There has also been a 20 percent jump in the number of seniors since 2011, which is the biggest increase in 70 years. And,

of all age groupings, the fastest growing demographic is said to be Canadians who are 100 years or older.¹ Yet while these statistics themselves are eye-opening, two key questions to address are what will the biggest impacts be and for whom? One demographic where the strongest effects may be felt is the "Sandwich Generation" — loosely defined as those who are caring for an elder or parent and their own children. This multi-generational squeeze is increasingly becoming a reality for many Canadians, with over 8 million individuals providing some form of care for a family member or friend, and 44 percent of caregivers between the ages of 45 and 64 caring for both a parent and their children.²

The generations at a glance

Generally speaking, the current Sandwich Generation is largely represented by Baby Boomers and those who belong to Generation X. With longer life expectancies across Canada, however, even the very definition of the Sandwich Generation, and what that role entails, is broadening. Some families and individuals are beginning to face even more complex situations where they have to manage and navigate wealth not just for three generations, but four. This additional generation has led to a newer term, the “Club Sandwich Generation,” in which an individual is sandwiched between aging parents, adult children and grandchildren, or, those with young children, aging parents and grandparents.

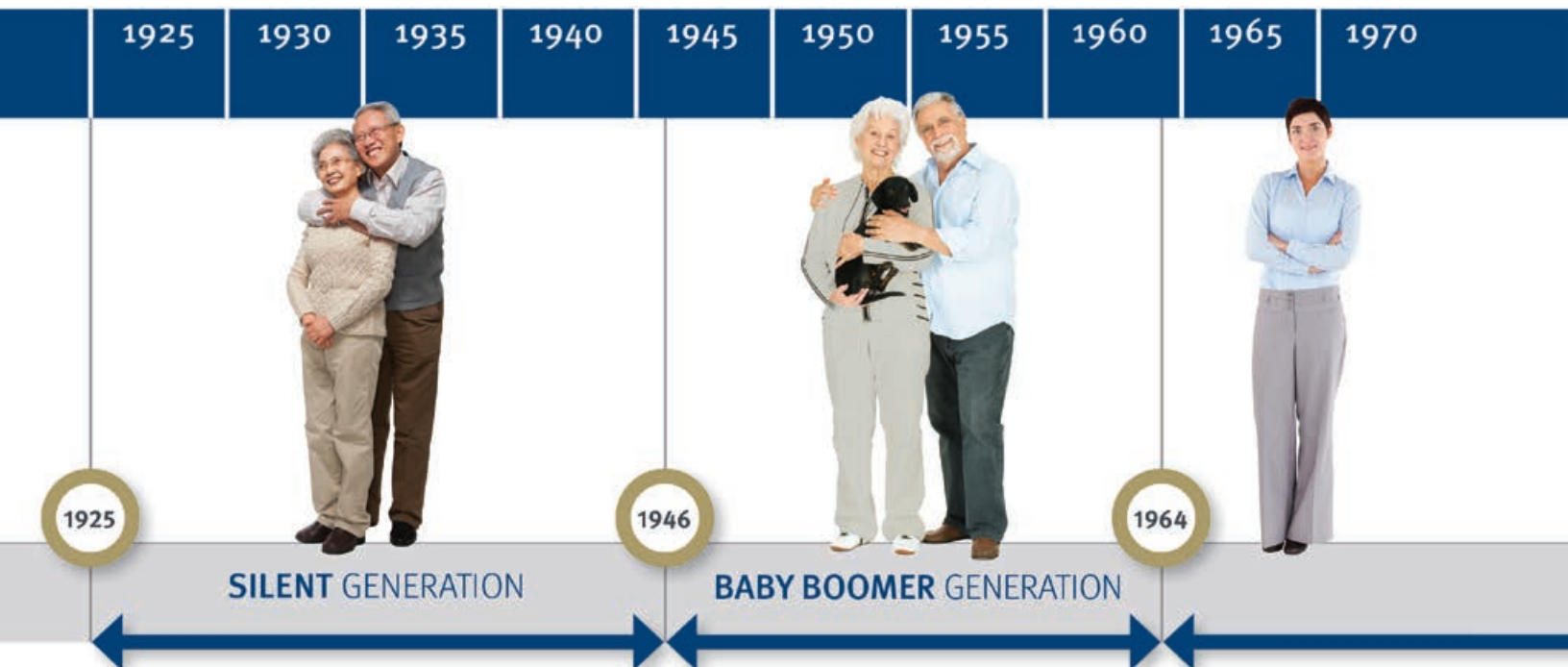
When it comes to wealth planning, the potential implications for those who are “sandwiched” are significant, as the demands and responsibilities tend to have an impact both financially and emotionally, affecting everything from retirement planning to estate and wealth transfer planning. Age plays a critical factor

in the wealth planning process, and the timeline below, highlighting generations by date of birth,³ helps to illustrate the wide range of demographics and dynamics that may be in play for many Canadian families.

Bearing financial and emotional burdens

The pressures faced by many in the Sandwich Generation are substantial. Oftentimes, those who are sandwiched get pulled in a number of directions, constantly trying to manage and prioritize the needs of their children and their aging parents, while juggling their own personal responsibilities, including work, home and marriage, to name a few. With so many overlapping demands, it’s unfortunately the needs and well-being of the sandwiched person that often become compromised.

Financial — Statistics indicate that 1.6 million caregivers in Canada take time off work to provide care,⁴ which carries the cost of lost income or foregone vacation time, and almost 2 million pay out-of-pocket care-related expenses for aging parents.⁵ With these types of financial impacts, it’s no wonder that according



to survey data, 55 percent of those sandwiched are concerned that supporting their parents will impact their retirement.⁶ These types of financial stresses are further compounded by the fact that within many families, there tends to be a much earlier transfer of wealth, as children are remaining at home for longer for a variety of reasons (e.g. pursuing higher education, highly competitive housing markets, more difficult to become established in a career), so there are often additional costs and pressures for parents in that regard.

Emotional — Witnessing the decline of an aging parent or loved one can take a very large toll on many individuals, coupled with the physical and mental stresses of trying to balance the many overlapping roles and responsibilities of day-to-day life. The strong emotional effects on the Sandwich Generation are clear, as over half of those who care for a parent report experiencing psychological distress,⁷ and nearly 30 percent report giving up sleep or social activities on a daily basis.⁸

Human interaction and personal relationships in reducing emotional planning

When it comes to overall wealth planning, generally speaking there is a strong emotional element that plays a key role in decision-making for all individuals. In regards to the Sandwich Generation, because the demands and pressures are unquestionably large, emotions are often heightened to an even greater extent and often in a way that may cloud what the best course of action is, whether that's for the individual, for a family member or for the family as a whole. The power of emotion in this regard drives home the importance of having qualified professionals who can offer support, guidance and insight around wealth matters, while reducing the risk of emotions driving wealth decisions. For individuals feeling the generational squeeze as they approach certain wealth decisions relating to retirement or wealth transfer, human interaction with a qualified advisor is a key component; through their expertise and





experience, they help take the emotion out of wealth planning and have experience separating feelings from empirical evidence.

Furthermore, beyond the importance of human interaction in the more general sense is the embedded value in each client-advisor relationship, especially for those in situations where the family load is heavier. For those facing the challenges of being sandwiched, there's an invaluable benefit of having an advisor who fully understands each and every aspect of your personal and your family situation, and who has been a part of your life during multiple stages and events, both expected and unexpected, so they can provide the appropriate guidance and help that's customized specifically for you.

Lastly, it's also important to look at all of the disciplines within wealth planning, how they're interconnected and how they can all be effectively brought together, especially when there are considerations and needs of multiple generations to factor in. And while the direct relationship may centre on an individual advisor, there is also a network of specialists and experts with which that advisor works closely to ensure every single aspect of wealth planning, for all generations involved, is appropriately accounted for.

Supporting individuals and families every step of the way

Whether it's adjusting to the idea of retirement, dealing with life's unexpected challenges, transferring a family business, or leaving a legacy for the next generation, RBC Wealth Management (RBC WM) understands that every individual's and family's needs are different. With a strong focus on personal needs and goals, paired with a team of specialized and accredited professionals across a range of disciplines, RBC WM offers customized, comprehensive strategies and solutions as part of our award-winning approach.

Find out more about [Our Approach](#) and how we're helping our clients realize their life visions at www.rbcwealthmanagement.com/ca/en/about-us/our-approach/video.



Impact of the digital age on younger generations

While each generation is known for or defined by various features, one clear trend is the growing shift towards and reliance on digital technologies from the Millennial generation onward. This is truly highlighted by the most recently coined generation, the iGeneration, where the name itself stresses the centrality of digital technology in their lives — with the “i” representing the types of mobile technologies children and adolescents have and the fact that these technologies are mostly “individualized” in how they’re used.

When it comes to wealth planning, for the Sandwich Generation in particular, the question then becomes how best to integrate digital tools as a complement to planning in a way that helps to alleviate the load they bear. For example, among Millennials, there tends to be a greater demand for immediate access to their finances through online tools and technology designed to help them self-manage various aspects of their financial management. As such, this may mean helping younger family members utilize digital resources such as budget calculators, which can also effectively help to build financial knowledge and independence. Another potential benefit of educating younger family members and assisting in broadening their financial management skills is opening the lines of communication within multi-generational planning. For those in the Sandwich Generation, this can be especially beneficial in the sense that it may help establish an ongoing dialogue about wishes and intentions, and help younger family members develop a greater understanding of how the family circumstances impact areas such as wealth transfer and estate planning.

RBC Wealth Management (RBC WM) is committed to assisting in building financial literacy among the younger generations. This issue of *Perspectives* includes an accompanying article on page 21 introducing RBC WM’s Financial Literacy Program.

Planning and tracking your finances

RBC WM now offers a helpful, easy-to-use online [Budget Calculator](http://www.rbcwealthmanagement.com/_ca/static/documents/budget-calculator.pdf) to assist individuals in organizing, tracking and assessing various aspects of their finances, which can then be used to support saving, investment and overall financial management decision-making. To access the Budget Calculator, please visit www.rbcwealthmanagement.com/_ca/static/documents/budget-calculator.pdf.



Planning considerations for the Sandwich Generation

Given that, based on survey data, roughly 80 percent of those in the Sandwich Generation are unprepared or don't know if they would ever be prepared to support their aging parents,⁹ it's important to examine some strategies to help prepare, with a focus on two interconnected areas: open communication and planning.

■ **Building an inventory of your parents' financial situation**

Being proactive to gain a clear insight into your parents' financial picture, including what financial resources they have, how much there is and where they are, can be very beneficial to help support aging parents if and when a care-crisis or other unexpected event occurs.

■ **Understanding your parents' wishes**

While approaching the subject is often emotionally challenging for many families, establishing an open dialogue about your parents' wishes in advance helps to ensure you can support them in maintaining the type of lifestyle they envision and the care they want to receive in later life, as well as protect them both financially and emotionally.

■ Locating and/or establishing estate planning documents

Key documents your designated attorney/executor will need to access include a Power of Attorney and a Will (living Will for medical issues and a traditional Will for outlining how assets are to be distributed). Knowing where to find these documents and some of the specifics within them will help ensure both generations are on the same page and decrease the likelihood of confusion or surprises down the road. *Note: Provincial variances exist in regards to certain estate planning documents. For example, residents of Manitoba, Ontario, Quebec and Nova Scotia can create a living Will. In certain parts of Canada, a living Will may also be referred to as a Power of Attorney for personal care, a mandate, an advance healthcare directive or proxy.*

■ Considering long-term care insurance

Arranging this form of insurance can help provide aging parents with the resources to maintain their lifestyle and remain independent if medical problems prevent them from performing certain activities of daily living. Securing long-term care insurance well in advance may be beneficial, as typically the earlier it is purchased, the less expensive it will be.

■ Assessing your own potential additional needs

With the time and financial burden many face in caring for multiple generations, establishing and maintaining an emergency fund may help you more easily manage an unexpected event or situation where you need to take an unpaid leave or modify your work schedule. If your work situation is becoming difficult to manage, consider communicating your caregiver role to your employer, as some may accommodate a flexible work schedule.

■ Prioritizing your own wealth, retirement and wealth transfer goals

While it may seem difficult to put your needs and goals first amidst attending to the needs of older and/or younger family members, planning ahead for yourself is critical. In a roundabout way, assisting an older family member may actually provide insights into many aspects of retirement and estate planning that can effectively be applied to your own planning down the road. For example, those who care for an aging parent often have a better understanding of the costs of healthcare, and can then better plan and save to ensure those funds are set aside for themselves in retirement. Additionally, the very experience of being in the Sandwich Generation may also impact an individual's

approach for wealth transfer. With exposure to factors such as longer life expectancy and higher costs of care, some may wish to instead pass down their wealth at death, as a means to ensure they can cover the potential and certain costs of retirement and longer life. For more information on the rising costs of healthcare, please view the RBC WM Fall 2016 *Perspectives* article, “The changing landscape of healthcare in Canada” at www.rbcwealthmanagement.com/ca/en/research-insights/the-changing-landscape-of-healthcare-in-canada/detail/.

■ Engaging children and younger family members as early as possible

For parents and those with younger family members, a key aspect of multi-generational planning is seeking ways to help the younger generation gain valuable learning experiences that build financial awareness and management skills. Involving children in certain aspects of planning — through both digital and traditional channels — may be a beneficial way to help them gain exposure and recognize the complementary benefits of online tools and client-advisor relationships. Doing so may also help open the lines of communication when it comes to wealth and wealth transfer planning, so the younger family members are receiving more guidance and awareness about your decisions and intentions.

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This article has been compiled from "Appointing the right executor for your estate," featured in *Perspectives*, Volume 1, Issue 1, Summer 2011. To read the original, please visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-1-issue-1.pdf (page 22).





A MATTER OF

INFORMED CHOICE

Considerations for effectively choosing and fulfilling an executor role.

Estate-related considerations and creating a Will can undoubtedly be very emotional and challenging aspects of overall planning for many individuals, for a number of reasons. Whether it's discomfort around discussions about death, fear of upsetting the family or causing disharmony, uncertainty around what the future may hold from a health perspective, or complex family dynamics, these feelings and circumstances often cause individuals to either delay or completely avoid important conversations and planning decisions. But while the emotional and situational aspects may seem difficult or overwhelming to navigate, it's crucial for individuals to take a step back and remind themselves of the core reasons for, and the true purpose of, estate planning: to protect yourself, your loved ones and the legacy you will leave.

Specifically within this area of planning, there are a range of components to consider, but a central aspect to devote proper attention to is choosing and appointing an executor. As part of the decision process for selecting this integral role in estate administration, individuals need to have a clear understanding about the responsibilities and duties the role entails, as this will help in identifying the most ideal option. And while the majority of Canadians gravitate towards family members, it is critical to ensure their ultimate choice is a well-informed one, based on a number of key factors.



Being proactive in notifying the selected executor

Beyond choosing the right individual is discussing the appointment with him or her in advance. In doing so, you can ensure the individual is willing and able to take on the role, as well as provide a general awareness that he or she has been chosen. Unfortunately, it's not uncommon for an individual to name their executor without asking them beforehand, and this may lead to a situation of surprise, potential conflict or the executor renouncing their appointment, all of which may cause unwanted delays and additional stress.

Choosing the right executor



An executor (called an “estate trustee” in Ontario and a “liquidator” in Quebec) is a person or company who manages the estate of a deceased individual. This personal representative has obligations to both the beneficiaries (those who have been designated to receive funds, property or other benefits under a Will) and the creditors (an entity, individual or company to whom money is owed) of the estate and is legally responsible for distributing the estate (property, assets, possessions) of an individual according to the wishes outlined in his or her Will.

When it comes to choosing an executor, it's common and natural for individuals to opt for a spouse, child, other family member or close friend, as the decision is often based on trust, especially given the fact that they'll be handling all the personal details of one's financial affairs and potentially getting involved in private family matters. In fact, according to recent statistics and survey data, it's estimated that approximately 99 percent of individuals in Canada who are 45 or older intend to name a family member or friend as their executor.¹ Yet while trust should definitely be a consideration, there is much more to the equation in selecting the most suitable and capable option.

In choosing an executor, the following are some key factors and considerations to take into account.

Technical expertise and skills

- For all estates, there are tax-filing responsibilities that may be extensive, depending on the nature and extent of the deceased person's assets.
- Experience with managing money and dealing with financial institutions may be beneficial to help manage some of the associated tasks. For example, locating the deceased person's assets, creating a detailed inventory of family assets, managing the deceased person's financial assets, and making investment or asset sale decisions.

Time and availability

- Even a relatively simple estate with no ongoing trusts may take upwards of 18 months to administer.
- While the role does not require a full-time commitment, the duties and responsibilities are time consuming. This is especially important to consider if you are naming a child or family member who has a busy schedule with their own children and/or work demands.

Geographical proximity

- Many of the associated duties must be handled in person, or may be much easier to complete when the executor is local to the individual. For example, the executor is responsible for dealing with the deceased's residence and personal effects, which may present additional challenges for someone who is located out-of-province or even out-of-town.

Potential for family conflict

- Consider whether the individual you are choosing may create tension or friction among family members and beneficiaries.
- The executor will need to effectively communicate with family members and beneficiaries, and may be required to handle multiple beneficiaries, so the choice should be someone who is neutral and unbiased and who can handle matters in a professional manner.

Emotional challenges

- When a family member or loved one passes away, it's a highly emotional and sometimes traumatic event for those close to the individual. These factors may impact the person's ability to carry out the tasks of an executor or to think clearly about the many organizational tasks that need immediate attention.




The Family Inventory

To help you in gathering a comprehensive list of family assets and key information, RBC WM offers [The Family Inventory](http://www.rbcwealthmanagement.com/_ca/static/documents/the-family-inventory.pdf), a useful guidebook for both logging and updating financial details. Visit www.rbcwealthmanagement.com/_ca/static/documents/the-family-inventory.pdf

Fulfilling an executor role

According to survey data of individuals acting as executors, 31 percent noted having emotional issues, 47 percent reported administrative issues, and 26 percent noted legal issues.² What statistics such as these indicate is that many may be overwhelmed by the extent of their role and the amount of tasks that come with it.

In being appointed as an executor, the following are some key aspects to be aware of.



Balancing family members and beneficiaries objectively

- Part of an executor’s responsibilities include locating and meeting beneficiaries to explain the estate settlement process, from probate to distribution. Beneficiaries are often unaware of the tasks involved to administer an estate and the length of time before distribution can occur.
- Tensions may arise for a number of reasons when families try to organize a loved one’s estate, so the executor must be able to communicate with tact and diplomacy.

Record-keeping and paperwork

- There is a significant amount of paperwork involved in administering an estate and part of the duties include accurate maintenance of financial records and estate administration, including a copy of all receipts.

Expansiveness of duties

- It is crucial to consider whether the individual has the time, knowledge and resources to perform the required duties, as there can be many tasks involved for executors.
- The long list of duties includes, but is not limited to, tasks such as arranging and paying for a funeral; finding and securing all assets; notifying all holders of assets and service providers; if required, arranging for the residence to be emptied and cleaned, and the property to be sold; transferring ownership of all assets to the estate; finding, reviewing and filing claims for life insurance and pension benefits; collecting and paying debts; handling complex tax matters; and filing outstanding and final estate tax returns.
- The role also entails distributing all of the estate in line with the deceased’s final wishes as expressed in his or her Will and according to provincial legislation.

Legal responsibilities

- As an executor, an individual assumes potential liability, in that a breach of trust, error or omission resulting in a loss to the estate may result in personal liability to the executor.

Note: For a more complete list of the duties of an executor, estate trustee or a liquidator, please view these helpful resources offered by RBC Wealth Management Estate & Trust Services:

Executor — estateandtrust.rbcwealthmanagement.com/static/documents/executor-checklist.pdf
Liquidator — estateandtrust.rbcwealthmanagement.com/static/documents/liquidator-checklist.pdf

Having a back-up

Consider naming an alternate executor in your Will. Doing so provides a greater level of assurance in the event the primary executor passes away before you or is ill when the time comes to settle your estate. This also drives home the importance of reviewing your executor choice periodically, as circumstances and situations can change.



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RBC Estate & Trust Services works with clients and their advisors to help achieve peace of mind now and for the future.



RBC Estate & Trust Services

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For more information, speak with an RBC advisor, call us at 1-855-833-6511 or visit our website at <https://estateandtrust.rbcwealthmanagement.com>.



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The job market is changing fast. Let's help youth keep up.

Future Launch is RBC's \$500 million commitment to helping youth succeed.

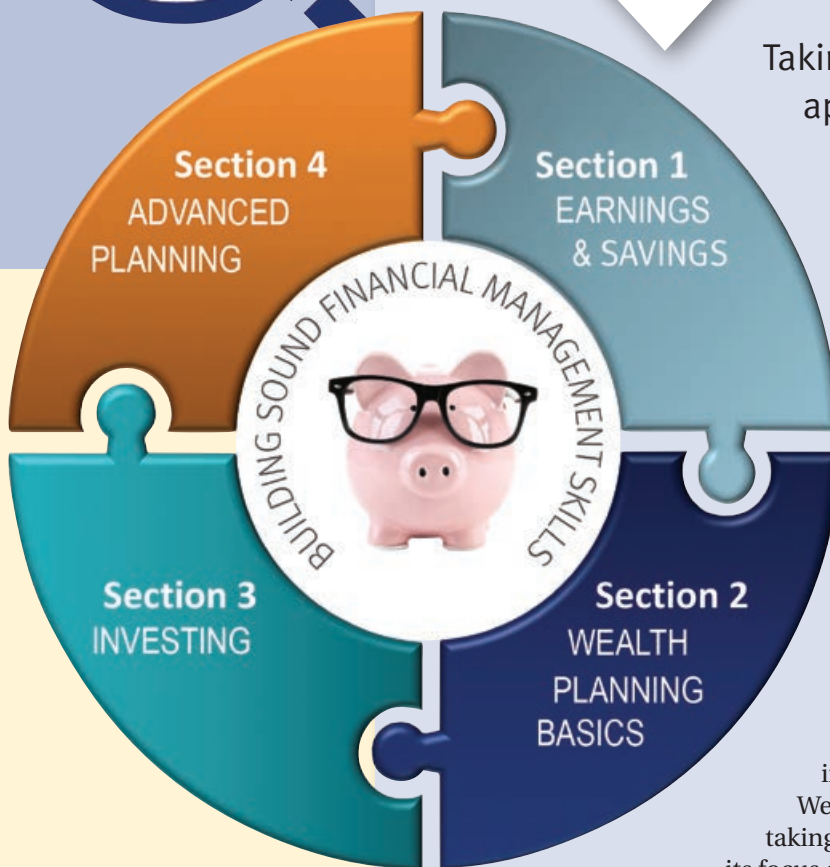
It's harder for today's youth than ever before. Thanks to unprecedented economic and technological changes, it's no wonder young Canadians feel uncertain about their futures. That's why RBC is committing \$500 million over the next ten years to help youth get the start they need to succeed. Future Launch will help youth overcome barriers and establish the skills, experience and networks they need to start their careers. Because when youth succeed, we all succeed.

To learn more about how we're helping young people prepare for their futures, visit: rbc.com/futurelaunch



Introducing the RBC Wealth Management Financial Literacy Program

The RBC WM Financial Literacy Program is currently being tested across Canada and the anticipated launch will take place in 2018. For more information, please contact your RBC advisor.



Taking a focus-forward approach with a practical, comprehensive learning platform.

In the coming years and decades, it's estimated that approximately \$400 billion will be passed down to inheritors in Canada. It's a powerful statistic that carries with it many underlying questions and considerations for both the giving and the receiving generations, a common one of which is whether inheritors are prepared. With this historical wealth transfer on the horizon — and its significant impact on individuals and families — RBC Wealth Management (RBC WM) is taking proactive steps to strengthen its focus on younger generations, helping to ensure they have the resources and tools needed to be confident and capable as they gain financial independence and as many become receivers of wealth. As part of this focus, RBC WM is launching a new learning platform, the RBC WM Financial Literacy Program, which offers a comprehensive, structured approach to building sound financial management skills.



Addressing the financial education gap

RBC WM has been a long-time advocate of financial literacy for all of our clients and their families, regardless of age. At the same time, we recognize the heightened importance of building financial literacy among children, youth and young adults to set the stage for informed financial decision-making and strong financial management skills into their transitional years and throughout adulthood.

Current research indicates that financial guidance and learning is not taking place as early as it should among many younger Canadians, and it is largely more informal in nature and often guided by family members. In fact, findings from the 2017 *RBC WM Wealth Transfer Report* note that the average age individuals begin learning is 26, yet the average age at which individuals inherit wealth from their grandparents is 29. From an age standpoint, report data also indicates there's a direct correlation between earlier learning and improved confidence when it comes to financial decision-making. And lastly, while financial education from family members is effective in some regards, findings from the report indicate that formal and structured educational opportunities are the most effective method for learning.

The RBC WM Financial Literacy Program has been developed with these facts in mind, at the same time recognizing that financial literacy is crucial for individuals at every life stage. As such, its purpose is twofold:

- To fill the gap that currently exists in when and how younger individuals are exposed to and educated about financial topics, from money basics all the way to advanced planning.
- To assist individuals of all ages who may be in a situation where they are taking on greater financial responsibilities and decision-making as a result of wealth transfer or other family circumstances or life events.

Designed for individuals 16 years of age and older, this program provides a formalized learning platform and effectively zeroes in on the wealth of benefits that an earlier approach to financial literacy can offer younger generations, as well as the importance of financial knowledge and capabilities throughout life.



Connect with a skilled advisor

Don't have an RBC advisor and wish to find one? Please visit www.rbcwealthmanagement.com/ca/en/find-a-wealth-advisor/get-matched-with-an-advisor.



Furthering RBC's youth strategy

As an organization, RBC is committed to investing in youth and their future prosperity through all possible means, whether it's planning tools and resources, educational or career-related programs, corporate partnerships, community involvement or charitable initiatives. The RBC WM Financial Literacy Program has been developed in alignment with the organization's overall youth strategy, "RBC Future Launch." RBC Future Launch is focused on better preparing youth for future entry into the workforce and equipping them with 21st-century skills.



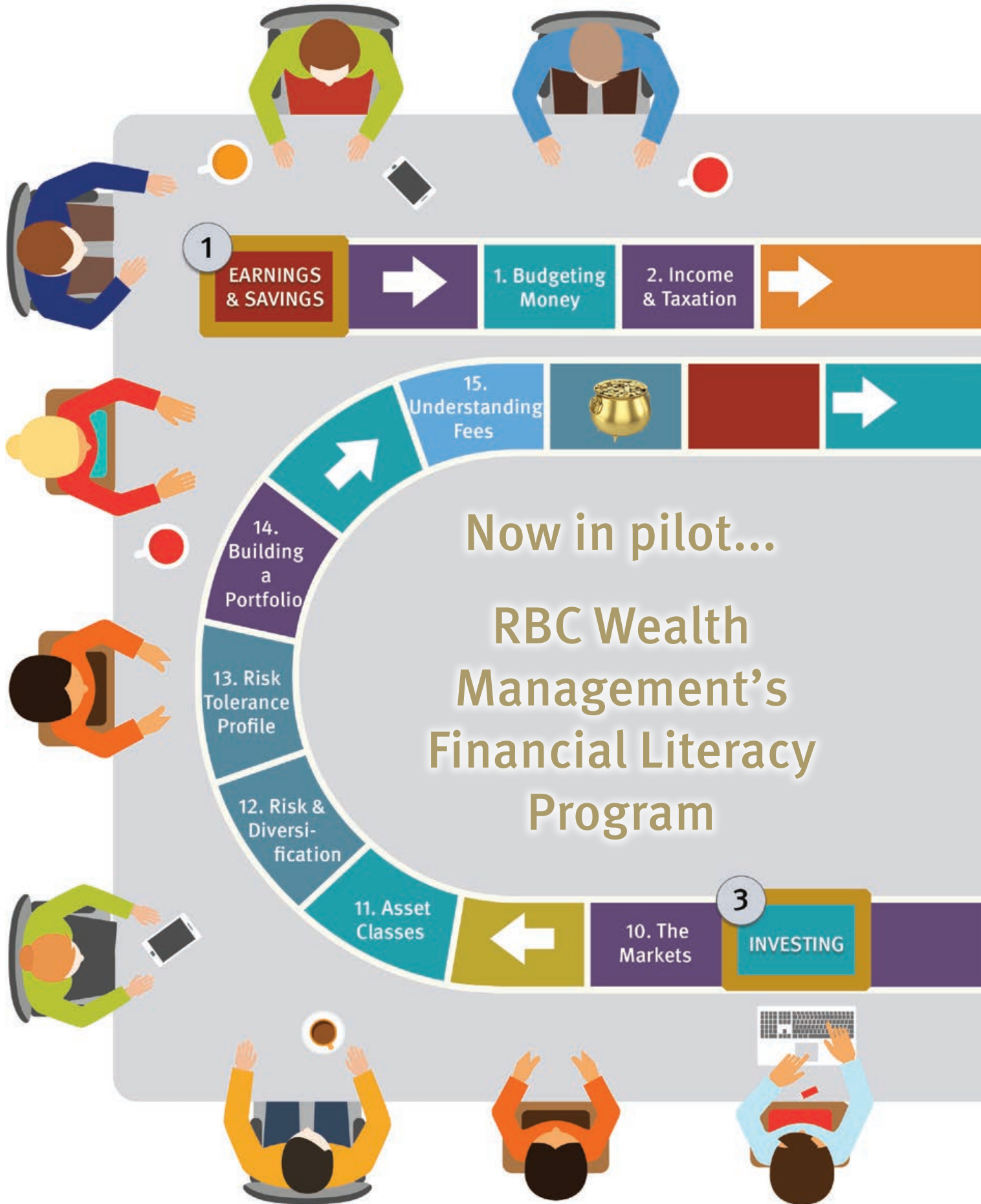
The main goal of the RBC WM Financial Literacy Program will be to help younger individuals better prepare for their financial futures, developing the knowledge and skills needed to manage both the growth and preservation of their own financial resources, as well as the wealth they may inherit. Beyond building a strong foundational knowledge and understanding of a full range of wealth and financial planning topics, this program also encourages and supports young individuals in thinking critically, provides exposure to all areas of wealth planning that they will encounter, and fosters relevant skills that can then be applied to planning for every stage of life.

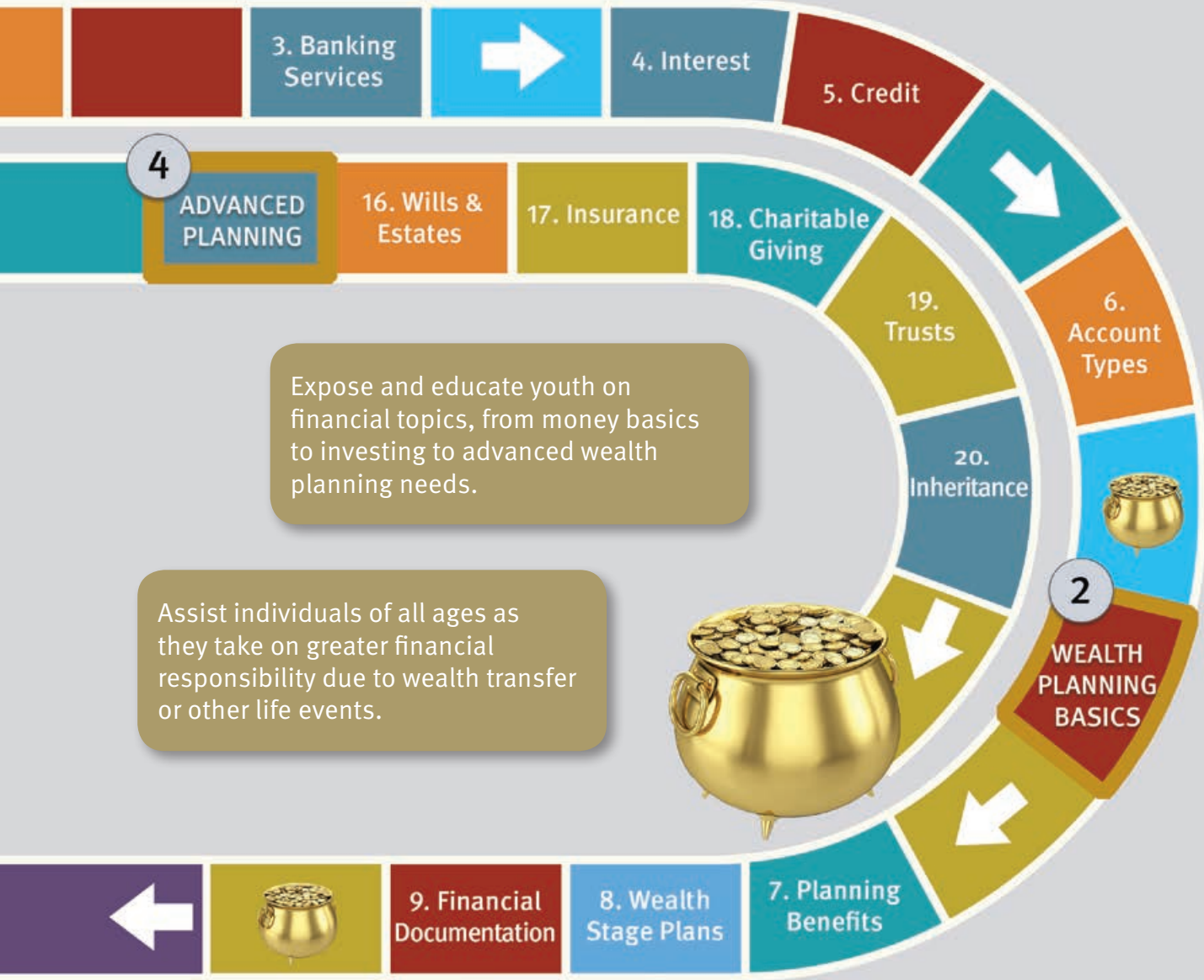


The RBC WM Financial Literacy Program is currently being tested across Canada and the anticipated launch will take place in 2018. For more information, please contact your RBC advisor.

RBC WM Financial Literacy Program overview

The program comprises four main focus areas — Earnings & Savings, Wealth Planning Basics, Investing and Advanced Planning — each with its own set of advisor-led learning Modules that address key topics, questions and aspects. To further augment the learning and usability of the information, a number of the Modules also include case studies and practical exercises to help individuals apply the learning to real-life situations and scenarios. The following provides an overview of the program components.





When giving involves property



This article has been compiled from “Planning ahead for your personal treasures,” featured in *Perspectives* Volume 2, Issue 2, Fall 2013, and “Keeping your vacation property in the family,” featured in *Perspectives* Volume 1, Issue 1, Summer 2011. To read the originals, please visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-2-issue-2.pdf (page 3) and www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-1-issue-1.pdf (page 25).

Making plans for personal treasures, collections and property.

Whether jewellery or art, classic cars or antiques, wine, coins or otherwise, many individuals have a selection of cherished personal items. These belongings often have a long-standing significance within the family, are the result of a dedicated hobby or represent decades' worth of time and resources in collecting. And while most individuals associate a value — whether sentimental, monetary or both — with their treasured items and the history behind them, some unfortunately overlook the importance of preserving that value through to the next generation and planning ahead for personal property from an estate perspective. In fact, when many individuals think of estate planning, the primary focus is often on financial assets, but it's equally important to consider what the best approaches may be for incorporating collectibles and other personal treasures into an estate plan. By giving these items special consideration when preparing an estate plan, it helps to ensure the transition of valued possessions is as smooth as possible, in accordance with wishes and intentions, so that they can enrich the lives of the next generation of owners and collectors.

Using value as a starting point

Within an estate, it's fairly common for personal property to be the components individuals have the most uncertainty about when it comes to value. While many individuals often know their items are valuable to some degree, they may not have a clear idea as to what the precise worth is. From a planning standpoint, this can create uncertainty and issues determining who should receive personal treasures and how they should be passed down, especially when individuals feel strongly about ensuring they treat children and other beneficiaries equally in both the wealth and personal property they pass down, and aim to structure their plans in a way that promotes equality.





To help facilitate the equal division of all property and assets among the next generation, hiring a professional appraiser for items like antiques, jewellery and collectibles can be very helpful to determine accurate values, which can then be a reliable catalyst for decision-making.

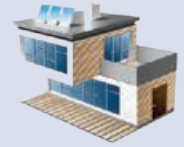
Beyond the direct impact on promoting equality, other main benefits of personal property valuation include:

- Knowing the value for insurance coverage purposes.
- Gaining a clearer picture on which assets to sell, should an individual think his or her estate will need liquidity (the availability of liquid assets, such as cash, to cover estate-related taxes, expenses and any debts).
- Knowing the value of the donation and thus any potential tax credit, if the plan is to donate an item to charity.
- Assisting in the facilitation process of obtaining advice from a qualified professional on the tax implications of gifting or selling personal property.

Tax considerations for personal property

Generally, when individuals pass away, they are deemed to have disposed of all of their assets — including personal possessions — immediately before their death at fair market value. In certain circumstances, there may be tax-deferral opportunities, such as leaving personal assets to a spouse. If an individual is the last-surviving spouse or leaves the assets to a non-spouse, however, this may trigger a capital gain or loss on the personal property upon death. From a tax perspective, this highlights another important reason to carry out thoughtful and proactive planning for all forms of personal property to help minimize tax consequences and avoid unnecessary expenses to the estate.

The potential tax consequences are another reason that knowing the value of items and collections is beneficial, as it helps guide what the most appropriate estate-planning options may be. Some collectors unfortunately fail to realize the value of their items and thus don't make specific provisions in their Wills. On the other hand, some do know the value of their property and the potential tax liability, so they omit it from their Wills due to concern around the tax bill that may result if the assets pass through their estate. What's crucial to recognize, however, is that in this type of situation, the estate executor could be held liable for the tax that is not reported by your estate.



Categories of personal property

In general, personal property is divided into two categories for tax purposes: personal-use property and listed personal property, each with its own tax rule.

Property type	Description	Tax rule
Personal-use property	<ul style="list-style-type: none"> Used mainly for your personal use and enjoyment Property such as cars, boats, furniture 	Taxable capital gain when sold/deemed disposed of at a gain, provided the proceeds are greater than \$1,000. Any losses realized on disposition cannot be used to offset capital gains.
Listed personal property	<ul style="list-style-type: none"> Items that generally increase in value Property such as art, jewellery, stamps, coins 	Taxable capital gain (loss) when sold/deemed disposed of, provided proceeds are greater than \$1,000. Any taxable capital gains on listed personal property can be offset by a loss realized on listed personal property. However, a loss on this type of property cannot be used to offset any other type of gain.

Note: The tax rules and regulations for personal property are complex and can result in an income tax liability regardless if an individual gifts assets during their lifetime or upon their death. As such, it is important to consult with a qualified tax advisor who can advise on how the rules may apply to or affect your estate and to help you make informed decisions.



Charitable donations of personal property

Depending on intentions or the type of property (for example, jewellery, art or furniture), some individuals may wish to donate personal property to charity. In considering this option, one of the first steps individuals should take is to ensure the charitable organization is willing and able to accept the property that is intended to be donated before making a lifetime gift or including instructions for the donation in your Will.

Once that has been confirmed, it's likewise important that individuals seek guidance from a qualified tax professional to determine the potential tax consequences of the donated gift. This is because the disposition of these items may trigger a taxable capital gain that would be included in your income in the year of the gift. Whether it's a donation during your lifetime or upon death, the individual or the executor may be able to claim a non-refundable charitable tax credit for the amount of the gift. *Note: The credit is normally based on the fair market value of the donation, so one or more independent professional appraisals is highly recommended.*

Accounting for sentimental value and preserving family harmony

When planning for the future of your personal treasures, it's important to consider the emotional impact among family members and heirs. There are a range of factors that may affect how others within the family feel about the possessions being passed down, including the type of item it is, whether it's a family heirloom, if it's a hobby or item a child is particularly interested in, or if more than one heir has a vested interest in the same item.

With this in mind, individuals should aim to strike the right balance to navigate planning in a way that is most appropriate from a tax perspective and that fulfills their own personal wishes and intentions, but at the same time takes into account the impact of decisions on family and heirs. Beyond monetary value, the potential strong emotional and sentimental values drive home the the importance of having conversations with family members and beneficiaries in advance, so they understand your wishes, intentions and reasoning for how cherished items will be distributed, and so there are no unexpected surprises down the road. Leaving accurate, detailed information related to personal property to accompany a Will can also help to alleviate potential stress for executors and decrease the likelihood of family uncertainty or conflict in estate administration. Details should include:

- An inventory of personal property and where items can be found
- Original purchase documents and receipts, if available
- Certificates of authenticity, if applicable
- Most recent appraisals
- Insurance policies for items
- Instructions for transporting and storing, and names of specialist packers and movers

Did you know?

Special tax rules apply when selling or donating “certified cultural property” to an institution or public authority designated by the Minister of Canadian Heritage. Certified cultural property is an object or collection that has been deemed by the Canadian Cultural Property Export Review Board to have outstanding significance and national importance to Canada.¹ Talk to your qualified tax and legal professionals about donating property of this kind and to ensure your Will contains the wording appropriate to convey the property to your chosen recipient.



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2. <http://www.statcan.gc.ca/daily-quotidien/140225/dq140225b-eng.htm>

Considerations for cottages, vacation homes and other secondary properties in Canada



With one in five Canadian family units owning secondary residences or vacation properties,² making decisions for how to keep these retreats within the family for generations to come, as well as the most effective way to achieve that, is something more individuals are and will be faced with over the coming years. Without proper planning your beneficiaries could be confronted with a large tax bill at death from both probate and the capital gains tax payable.

Regardless of whether individuals wish to give the property during their lifetime or in their Will, forward thinking and planning can go a long way in helping to identify the most appropriate approaches from a capital gains tax perspective and to streamline the transition. The following are some key aspects and potential options individuals may wish to consider.

1

Giving it to family now. While transferring the property now means you will be responsible for any taxes on the gains up until this point, it may be advantageous if the value of the property is expected to increase in the future. In doing so, future capital gains would be taxable to family members, presumably at a much later date if the intention is to keep the property within the family. This option may also offer the benefit of avoiding probate fees. (Probate is the legal proceeding whereby the Will of a deceased person is approved by the courts in the province or territory the individual resided in. Probate fees vary by province or territory and are either a flat fee or based on the size of the estate.)

2

Transferring it into a family trust. A trust can be a vehicle for holding and passing on family property that allows the trustee to maintain control over how funds and property are dispersed. Within a trust, the individual giving the property (the creator of the trust, called the settlor) names a trustee, who manages the trust on behalf of the beneficiaries. This option may promote the preservation of family harmony, as it enables individuals to establish formalized rules for the usage, upkeep and succession of the property held by the trust. When the property is transferred into a trust, it triggers a disposition at current fair market value, the same as with gifting it, so the individual transferring it would be responsible for the taxes on capital gains in the year transferred. Within a trust, there is also a deemed disposition of the assets in the trust at fair market value every 21 years at which time taxes on any accrued gains must be paid.

3

Creating a co-ownership agreement. This is a legal document that sets out the ownership rights where multiple individuals are to be named as beneficiaries of a property. This type of agreement can present an effective way to formalize the rules for usage, maintenance and paying expenses, which unfortunately can be the source of conflict when secondary properties are passed down within the family and these aspects aren't discussed and organized beforehand. As part of this agreement, it may be worthwhile to set aside a vacation property fund (if a family trust is established, additional funds can be allotted for ongoing carrying costs and future taxes). This can also be achieved through a testamentary trust in your Will.

4

Purchasing life insurance to cover tax costs. The costs of carrying life insurance can be high, but the tax costs on properties can be even more significant. If a property is transferred to a beneficiary upon the owner's death, life insurance on the original owner may be an effective method to handle the capital gains, as it creates a payout source for the anticipated taxes payable. Within many families, it's common for family members who will receive the full value of the property to cover the insurance premiums, as they will be the ones who will ultimately benefit. These types of insurance payouts can also be used to help fund ongoing operating and maintenance costs.

This article is part 2 of "Philanthropy — What will your legacy be?," featured in *Perspectives* Volume 2, Issue 1, Fall 2012. To read the original, please visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-2-issue-1.pdf (page 10).



Bringing
new meaning
to giving

Generational trends in charitable and philanthropic endeavours and the potential benefits of a more structured planning approach.

According to 2016 data, Canadians give \$12.8 billion annually to benefit thousands of charities and the communities they serve.¹ Among Canadians, 82 percent believe charities are important, with 70 percent making a donation in the past year.² From a giving back perspective, just under half of those aged 15 or older volunteer, devoting an average of 154 hours per year — or 2 billion hours total in volunteer time.³ These statistics speak clearly to the values many Canadians hold when it comes to helping others, as well as to the overall spirit of giving, which often tends to expand even further as the holidays approach. Digging beyond these high-level statistics, however, there are also some interesting findings that highlight distinct generational trends for both how and why people give, shaping what some have labelled as an evolution of philanthropy in Canada. Over time, as social values, technology, communication and connectivity, and population demographics have changed, so too has the approach to giving for many individuals, and one demographic where this is most prominent is among Millennials (those born between 1981 and 1993).⁴ And while there may be different generational viewpoints of what philanthropy is, and how it's achieved, it's important for all individuals to reflect on what giving means to them personally and within their family, and to consider the range of benefits that a more structured, focused planning approach may offer.

Philanthropy and giving among younger generations

Making a difference in the world. It's a value that approximately 40 percent of Millennials list among their top three priorities, according to *The Canadian Millennial Report*, and one they strive to accomplish in a variety of ways.⁵

In the realm of charitable giving, a recent survey indicated that 68 percent of Millennials have made charitable donations in the past year, which is in line with the national percentage.⁶ And while

Baby Boomers still dominate the donor base (with 32 percent of all money donated), both Generation X and Millennials are gaining ground, representing 27 percent and 15 percent of the donor base, respectively.⁷ Where the generations really start to differ, however, are the channels and the focus of giving. In regards to methods, there has been significant growth in using digital means to make donations, notably among younger individuals, with 54 percent of Millennials giving through online channels.⁸ In relation to areas of focus, research indicates that younger individuals are moving away from institutionalized forms of giving such as charitable organizations, instead showing a deeper commitment to and support for causes they feel strongly about.⁹



The redefined approach to philanthropy among younger individuals has also been greatly impacted by online technology. Digital advancements and the growth of social media have played a significant role in philanthropy among Millennials, as a large proportion rely on online environments to connect with others who support the same cause, to promote initiatives and events and to popularize causes among a mass audience. As citizens,

surveys also indicate that Millennials deeply value cooperation and consensus, and this is reflected in the fact that 41 percent believe working together as a group can make a big difference in solving community problems and another 45 percent say collective action can make some difference.¹⁰ From a philanthropic standpoint, this mentality among a large percentage of Millennials is very powerful, especially when paired with a growing preference for the digital realm, which

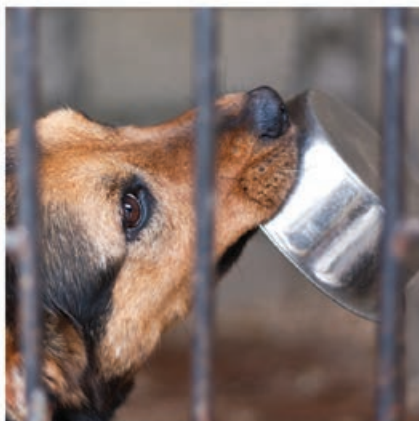
facilitates the ease of joining others, driving interest, and gaining momentum and support for a specific cause.

While the majority of Canadians take an interest and participate in charitable giving at some point throughout the year, it's typically short-term in nature...

The volunteer landscape in Canada

According to the most recent Statistics Canada data, younger Canadians are generally more likely to volunteer than older Canadians. Well over one-half of people aged 15 to 24 and 35 to 44, and close to one-half of those aged 25 to 34, have done volunteer work. In comparison, pre-retirees aged 55 to 64 had a volunteer rate of 41 percent and seniors recorded a rate of 36 percent. And among all age groups, adults aged 25 to 34 were the only age group to record an increase in volunteerism during the data collection period.

Digging deeper into the findings, however, while younger Canadians are more likely to volunteer, in total they devote fewer hours than older adults. On average, youths and younger adults aged 15 to 34 recorded only about one-half as many hours as seniors.¹¹ More recent survey statistics also found that among Millennials who do volunteer (which, interestingly, was only 36 percent in this study, with another 23 percent noting they would volunteer but don't know how to get involved), they put in fewer than five hours per month in most cases.¹²



Embracing a holistic approach to giving — philanthropy versus charitable giving

While the majority of Canadians take an interest and participate in charitable giving at some point throughout the year, it's typically short-term in nature and, for many, is more spontaneous and often tied to the end of the calendar year before the tax deadline for charitable donations.

Philanthropy, however, is much broader in scope, encompassing all forms and types of giving and giving back. By definition, philanthropy is a more strategic and structured form of charitable giving that involves defining an individual's or a family's goals and then developing a long-term plan to bring their values and charitable objectives to life. Beyond charitable donations, philanthropy includes the giving of time and spirit, and there is a broad spectrum of ways for people to engage in endeavours, including volunteering, fundraising, promoting a cause, attending a charitable event, or planning or taking part in a charitable initiative.



Specifically in regards to Millennials, some believe this generation has broadened the definition even further through their actions and the values they uphold. Philanthropy has become increasingly embedded as a social value for many younger individuals, impacting many aspects of life beyond traditional giving and giving back, extending all the way into the type of work they are eager to pursue, the brands and products they identify with and purchase, and an increased consciousness of seeing positive outcomes from their efforts and endeavours.



A focused planning approach to giving

According to Imagine Canada, some of the top reasons Canadians choose to give include compassion for those in need, personal belief in a cause and wanting to help, contribution to local communities, and personally affected by an organization's cause. With these types of motivations in mind, individuals may wish to consider how a more strategic planning approach to giving can actually result in more meaningful giving, at individual and family levels, and have a more meaningful impact on society. At the core of structured philanthropy is really taking the time to think about and identify your own patterns of giving, what causes and areas are most important to you, why and how you want to give, and the level of involvement you want to have. When developing the most appropriate and effective framework for strategic giving, some key questions to ask include:

- For those who have an interest in charitable giving, could that interest develop into something more strategic?
- To whom or where do you want to donate?
- How much time can you and are you willing to devote to the endeavour?
- What are the most ideal forms (cash, assets, securities) and avenues (personally, or through a family trust, private foundation, corporation) for giving?

For more information about specific philanthropic planning considerations and potential tax strategies, please view the RBC WM Spring 2017 *Perspectives* article, "A guide to philanthropic giving — today, tomorrow and for generations to come" at www.rbcwealthmanagement.com/ca/en/research-insights/a-guide-to-philanthropic-giving-today-tomorrow-and-for-generations-to-come/detail/.

By adopting a more structured planning approach to giving, individuals are better able to achieve objectives and express values in a way that balances personal, family and tax considerations...

- Do you wish to make it a long-term commitment?
- What are the potential advantages and disadvantages of donating certain assets while living versus upon death?

By adopting a more structured planning approach to giving, individuals are better able to achieve objectives and express values in a way that balances personal, family and tax considerations, and there are many methods and options to help achieve this, such as outright gifts to charities, timing of

gifts, using property and resources, private foundations or donor-advised funds. And in much the same way as planning for retirement, wealth transfer and other financial aspects of life, it's important to consult with qualified professional advisors to understand the various options available when developing a philanthropic plan and the potential advantages and disadvantages from a financial, estate and tax planning perspective.

Building a philanthropic mindset among children and youth

For many Canadians, there's a growing focus on passing down values of social conscience and making a difference to younger family members and loved ones. For more information on instilling philanthropic values among children and youth, please view the RBC WM Fall 2016 *Perspectives* article, "A Canadian outlook — sustaining a culture of philanthropy" at www.rbcwealthmanagement.com/ca/en/research-insights/a-canadian-outlook-sustaining-a-culture-of-philanthropy/detail/.

Generational considerations in strategic giving

Specifically from a multi-generational perspective, a focused planning approach to giving can be effective for individuals and families within every life stage. For young adults, especially in the coming years and decades as many Millennials are staged to be receivers of wealth being passed down, it may provide a way to more effectively define their convictions, streamline their focus and map out their giving, ultimately making a stronger

and longer-lasting statement about their values. And because many younger individuals are so passionate about making a difference, transforming that drive into a strategic approach will further the vision over the long-term. For adults who have children or grandchildren, structured philanthropic giving offers a way to strengthen and embed multi-generational family values, as well as create an approach that can be carried on and preserved and that contributes to leaving a lasting legacy for generations to come.



RBC's commitment to giving and giving back

Within RBC, helping clients thrive and communities prosper is the core purpose behind everything we do. Community and social impact is deeply embedded within our organization, representing one of the five key focus areas for how RBC will achieve its goals, locally, nationally and globally. When it comes to RBC's community investments, three key areas of focus are youth, the environment and the arts, and in 2016, this translated to \$77 million in donations, \$63.5 million through the RBC Foundation. The organization also contributed a further \$14.1 million to community investment activities globally.

Recognizing the challenges many of today's youth face, RBC is focusing its donation approach in 2017 and beyond to make a difference in ways that help youth thrive and to drive Canada's future prosperity. Through RBC Future Launch, donations will centre on charitable organizations that target young individuals during their transitional years; focus on providing equitable access to work-integrated learning experiences; harness the knowledge and goodwill of Canadians using social media, mentorships and other resources to guide young people to opportunities; and, are inclusive and meet the needs of young people from diverse communities. Through these partnerships, the ultimate goal of RBC Future Launch is to help remove barriers and prepare young Canadians for the future of work, shaping a better future.



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THE ROOTS OF SUCCESS

**Connecting the dots between physical activity,
nutrition and improved learning**

This article is part two of "Healthy bodies get an A+," featured in *Perspectives* Volume 1, Issue 1, Summer 2011.
To read the original, please visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-1-issue-1.pdf (page 13).

Learning

noun | learn•ing | \ˈlɜr-nɪŋ\

The act or process of acquiring knowledge or skill through experience, study or being taught.

From childhood to the teenage years, education and learning are central aspects of growth and development, whether formally through educational institutions and programs or more informally through family members and exposure to real-life experiences. From a school perspective in Canada, youth spend approximately 14 years progressing through elementary and high school — plus additional post-secondary time for many — and these formative years are so crucial in helping youth build a strong foundation of skills and knowledge needed to succeed in their future careers and other aspects of life. For many individuals, when thinking about these years for children, grandchildren or school-aged youth in general, the focus is often on providing the best tools, resources and outlets for learning. To help promote success, however, whether that’s in relation to broader academic performance or more specifically as applied to financial literacy and money smarts, it’s important to dig deeper and understand what drives the ability to learn. In examining the foundations of learning holistically, taking into account the impact of factors such as physical activity and nutrition, individuals can help children and youth put their best foot forward both in academic achievement and in building sound financial management and decision-making skills.

RBC Wealth Management (RBC WM) is committed to assisting in building financial literacy among the younger generations. [“Introducing the RBC WM Financial Literacy Program”](#) (page 21), a practical and comprehensive learning program available in 2018 to individuals 16 years of age and older.



The impact of physical activity on learning

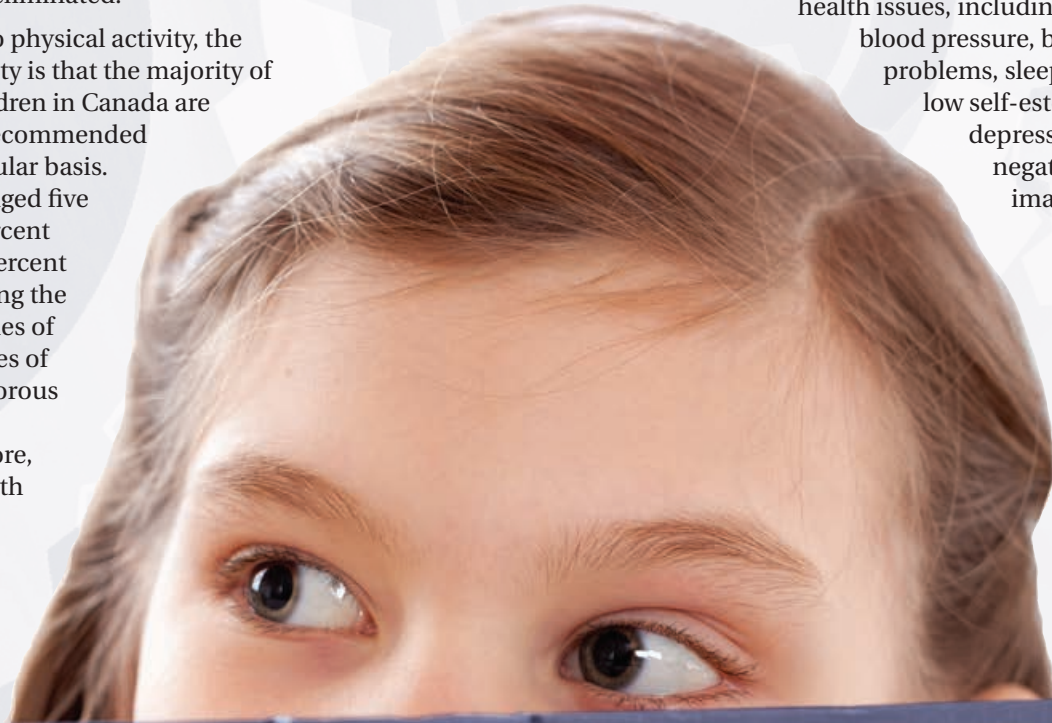
When it comes to academic performance, a vast range of studies show a significant relationship between fitness and educational achievement and that physical activity positively affects cognitive skills, attitudes and academic behaviour.¹ While the precise cause is still debated among researchers, being physically active is known to improve brain health in two key areas. First, it increases blood flow to the brain, which helps to keep brain cells functioning properly, and second, it stimulates the growth and maintenance of neural connections within the brain. And while the brain is capable of making new neural connections into adult life, childhood is a time when these neural connections and synapses form at a greater rate and when the brain's main "circuitry" is formed. In fact, during the first decade of a child's life, the brain forms trillions of connections and synapses and this is the foundation upon which the brain continues developing. However, if proper health is not maintained, these connections can be weakened or eliminated.²

When it comes to physical activity, the unfortunate reality is that the majority of school-aged children in Canada are not getting the recommended amount on a regular basis. In fact, of those aged five to 17, only 13 percent of boys and six percent of girls are meeting the national guidelines of at least 60 minutes of moderate-to-vigorous physical activity daily.³ Furthermore, children and youth

within that age range are spending an average of 8.5 hours being sedentary each day, which is roughly two-thirds of their waking hours.⁴

These patterns of sedentary behaviour among the majority of children and youth put them at a disadvantage both in and out of the classroom. The end result, as research demonstrates, is greater numbers of school-aged youth who have weakened cognitive skills, who struggle with academic challenges, and who have increased aggression and poor academic behaviour and attitudes.⁵ Specifically in regards to developing money smarts and building sound financial management skills, these statistics apply in much the same way, as the brains of physically inactive youth are less primed for this type of learning. Further to the impact on academics and practical financial management skills, low levels of physical activity also put children at a greater risk of serious physical and emotional health issues, including high blood pressure, breathing problems, sleep apnea, low self-esteem, depression and negative body image.⁶

PHYSICAL ACTIVITY
IMPROVES BRAIN HEALTH



Tips for promoting physical activity in the daily lives of children and youth

1

Act as role models and **participate in physical activities with them**. A family approach can be motivating and also helps form long-term patterns.



2

Depending on age and maturity level, **encourage walking or biking** to and from school, parks or friends' houses, and assist in planning safe routes and secure travel practices.



3

Pinpoint what activities or sports your children are most interested in and **pursue organized programs**. This offers supplemental social benefits, which can also positively impact emotional well-being.



4

Limit screen time and **set guidelines and boundaries for when children can watch television, play video games or be online**. Tips to assist in appropriate supervision are to have electronics and computers in a shared family space and to have a set time in the evening when children's personal devices are stored in the parents' bedroom for the night.

Did you know?

Children and youth aged five to 17 should have no more than two hours of recreational screen time per day (this includes via smartphones). Currently, only 24 percent of those in this age group meet these guidelines.⁷

5

Research options for **unstructured and structured activities within your community**, such as bike paths, walking trails or community centre programs.

For more information, please visit the Government of Canada's Get Active Tip Sheets at www.canada.ca/en/public-health/services/health-promotion/healthy-living/physical-activity/physical-activity.html and the Canadian 24-Hour Movement Guidelines for Children and Youth at www.csep.ca/view.asp?x=696.

Getting enough Zzzs

Sleep also plays a crucial role in boosting and maintaining brain function, as well as the ability to focus and retain information. Children aged five to 13 should get nine to 11 hours of sleep per night, and those 14 to 17 years old should get eight to 10 hours, with consistent bedtimes and wake-up times. Unfortunately, many youth aren't getting appropriate amounts, as research indicates 31 percent of school-aged kids in Canada are sleep deprived.⁸

Nutrition and the brain

As the body's largest organ, the brain requires a steady amount of nutrients to function properly, and during an individual's younger years, meeting nutritional recommendations is even more important to promote healthy brain development. Much like physical activity, there are also well-established links between proper nutrition and academic outcomes. More specifically, studies show that students who maintain a healthy diet have improved memory, problem-solving skills and creative abilities.⁹

According to Canadian studies, however, many children and youth are coming up well short of the nutritional recommendations. For example, 31.5 percent of children and youth are either overweight or obese, a percentage that's nearly tripled over the last three decades.¹⁰ Of children aged four to eight, 70 percent do not get the recommended five servings of fruits and vegetables each day, but approximately 30 percent of all Canadian children eat French fries at least twice a week and consume one or more soft drinks each day. Canadian students are also highly influenced by food marketing and labelling, and are much more likely to make poor food choices if unhealthy options are available within or near their school.¹¹ Unfortunately, these growing patterns of unhealthy eating and nutritional deficiencies have been associated with poor school performance, and also put youth at greater risk for heart disease, high blood pressure, type-2 diabetes and high cholesterol.¹²



Tips for improving eating habits among students

For parents and guardians, establishing good eating habits starts in the home, but given that the majority of children and teens spend a large proportion of their day at school, opportunities exist to build upon those eating habits developed at home and extend them into schools. The following are strategies to consider in both school and home environments.

- Encourage children to participate in meal preparation at home with age-appropriate tasks, and involve them in packing healthy snacks and lunches to take to school.
- Advocate for healthy food policies at your child's school, as nutrition policies, healthy menus and health curricula have been shown to positively impact children's eating practices.¹³
- Limit sugar-sweetened beverage consumption and establish rules at home for snacking. This can be easier to implement by having healthy food options available and eliminating “junk food” (or storing it in a place where it isn't easily accessible so it can be saved as an infrequent treat).
- Advocate for and support programs that bring healthy food to schools (e.g., Breakfast Club of Canada, Farm to Schools grant program from Farm to Cafeteria Canada).
- Ensure children always start their day with a healthy breakfast, whether that's at home or through a breakfast program at school. Research indicates participation in school breakfast programs improves academic performance, enhances cognitive function and reduces tardiness.¹⁴
- Consider planting a fruit and vegetable garden at home, or encourage the establishment of a school- or community-based one in your area, as they offer the potential to contribute to nutritional education and a greater connection and appreciation for where food comes from and how it's grown.

For more information, please view Canada's Food Guide at www.canada.ca/en/health-canada/services/canada-food-guides.html and other tips for healthy eating from the Government of Canada at www.canada.ca/en/public-health/services/childhood-obesity/childhood-obesity.html#a12.



Leading into the winter months, these immunity-boosting and superfood recipes will help keep health in check. Try the **Chicken and avocado quesadillas** on page 45 and the **Arugula salad with roasted beets** on page 58, which offer a range of nutritional benefits for children and adults alike.

Financial stress and the family impact

According to a national survey by the Financial Planning Standards Council (FPSC), 42 percent of Canadians rank money as their greatest stress.¹⁵ From a family perspective, this type of stress is often far-reaching, with its negative effects impacting not only the emotional well-being of the individual, but also relationships with a spouse or partner, as well as children. And leading into the holidays, while the focus is often on the joys of the season and enjoying time with loved ones, it's also a time of year when some individuals experience an increase in stresses around their finances.

Taking steps to reduce financial stress within the household can play a large role in fostering a more positive learning environment for building financial literacy skills among younger family members. Learning about financial topics often occurs outside of a structured school setting, and parents and guardians are often the root of this type of education for children and youth. If financial stress is taking a toll within the household, this may negatively impact or limit opportunities for skills development and financial discussions, and children may be discouraged from wanting to participate and learn.

No matter the time of year, research indicates that having appropriate financial plans in place goes a long way towards decreasing financial and overall stress levels. In fact, studies indicate that Canadians with comprehensive financial plans — which take into account everything from investment choices and tax considerations to insurance to retirement and estate planning — reported greater levels of emotional well-being and overall contentment than those who have engaged in even limited planning.¹⁶

For more on brain health for younger individuals and adults, please read the RBC WM *Perspectives* Spring 2016 article, “Promoting brain health at every age” at www.rbcwealthmanagement.com/ca/en/research-insights/promoting-brain-health-at-every-age/detail/.

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Chicken and avocado quesadillas



Prep time: 45 minutes
Cook time: 30 minutes
Serves: 4

Fast fact

Chicken and cheese both contain L-tyrosine, an amino acid that helps promote alertness. Avocado is a good source of vitamin E, which has antioxidant properties to assist in maintaining cognitive well-being.

Ingredients

2 tsp olive oil
1 tsp chili powder
1 onion, minced
2 cups shredded cooked chicken
3 Italian tomatoes, diced
Dash of hot sauce
8 whole-grain tortillas (6-inch)
1 ripe avocado, pitted and puréed
1 cup Canadian Monterey Jack cheese, shredded
Salsa (optional)
Fresh coriander (optional)

Directions

1. In a skillet, heat oil at medium-high. Add chili powder and onion, cooking about 8 minutes. Add chicken, tomatoes and hot sauce and continue cooking for 2 minutes.
2. Divide chicken mixture in centre of four tortillas; top with avocado and Monterey Jack cheese. Place another tortilla on top and press lightly to distribute filling.
3. In a non-stick pan, cook each quesadilla over medium heat, 4 to 5 minutes a side. Top with salsa and fresh coriander if desired.

Nutritional breakdown

(per serving)

Calories: 523
Protein: 35 g
Carbohydrates: 40 g
Fats: 25 g
Fibre: 9 g



Recipe and image reprinted with permission from Dairy Farmers of Canada — www.dairyfarmers.ca.

Additional recipes can be found at www.dairygoodness.ca.



What's in a Will?





Key considerations for developing and updating a Will.

Consider these facts: among Canadians of all ages, almost half do not have a Will, and among younger individuals (aged 27 to 34), that percentage jumps to 88 percent. Yet, when it comes to wealth transfer, over half of individuals intend to pass on the entirety of their wealth through their estate at death.¹ These statistics are a clear indication of the disconnect between intentions and formalized plans that exists for many Canadians, with many overlooking or lacking awareness about the centrality of having a valid and up-to-date Will. While there are a range of reasons individuals neglect creating a Will — for example, assuming they are too young, pushing it aside for other priorities, or feeling uncomfortable looking ahead to their eventual passing — it’s crucial to recognize a Will’s functionality in ensuring an individual’s wishes and intentions are properly documented and ultimately carried out. From an age standpoint, while many individuals associate the creation of a Will with middle or later phases of life (which is now coming to the forefront as more of the Canadian population shifts into their senior years), turning a focus to Will and estate planning holds a high level of importance for adults at every life stage.

UNDERSTANDING WILL BASICS


Generally speaking, Wills can be considered the guiding legal document in the administration of an estate, in which individuals express their wishes as to how property and possessions are to be distributed at death. Many individuals unfortunately make the assumption that if they were to pass away without a Will, their estate would pass to their spouse. The reality, however, is that those who pass away without a Will are said to have died “intestate.” In simple terms, dying intestate generally means your estate will be administered pursuant to the provincial or territorial intestate legislation based on where the individual resided at death. Each province and territory has intestacy laws that define the estate’s beneficiaries and their estate entitlement. In other words, for those who

either don’t have a Will or have one that’s outdated, all of the time, resources, work and planning to build and preserve an individual’s wealth can quickly unravel, negatively impacting the intended wealth legacy and potentially leaving a strain on family and loved ones.

Beyond the basic drafting of a Will, there are a few common missteps some individuals make within this area of planning. While many may give thought to “big picture” considerations, it’s likewise important to walk through the practical aspects and details, as well as considering the potential impact certain decisions will have on family members and the estate in general. As such, taking the appropriate steps to put a valid Will in place is a great starting point, but individuals also need to ensure it accurately reflects wishes and intentions in the most effective way.

This article has been compiled from “Creating a Will that accurately reflects your wishes,” featured in *Perspectives* Volume 1, Issue 2, Fall 2011, and “When should you review your Will or estate plan?,” featured in *Perspectives* Volume 2, Issue 1, Fall 2012. To read the originals, visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-1-issue-2.pdf (page 4) and www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-2-issue-1.pdf (page 2).

8 key considerations in Will planning



1 Planning in advance to avoid potential oversights and urgency. While drafting and finalizing a Will may become more top of mind for some individuals as they near a certain planned life event (e.g. vacation abroad or scheduled surgery), when on the heels of an illness or injury, or as they shift into their more senior years, leaving planning to the last minute often means there may not be time to consider all of the available options. Doing the planning well in advance can eliminate many of the pressures associated with drafting a Will and helps to ensure individuals have the opportunity to examine the full range of potential choices and implement all decisions in accordance with their wishes.

2 Naming a guardian for minor children. While individuals may not necessarily recognize it in the moment, certain life events during their younger years, such as home ownership and having children, are actually times when having a Will takes on a heightened level of significance. Specifically in regards to minor children, a Will provides the legal means for parents to identify who they wish to be a guardian should the unexpected happen. In certain provinces the guardianship appointment needs to be confirmed by the court for it to be effective. The unfortunate reality is that without a valid Will outlining this decision, the government ultimately decides who will raise the children in accordance with provincial and territorial law.

3 Understanding the tax impact of certain approaches. While individuals may have certain decisions in mind, it's important to consider what the potential tax consequences will be and how they may impact the estate. This is especially important to help ensure equality among beneficiaries. What may seem like an equal distribution may not end up that way once tax implications are factored in. For example, if a cottage is left to a family member, that individual will receive the property but any tax payable as a result of the deemed disposition at death will be payable by the estate (which could ultimately affect what other beneficiaries receive from the estate).

4 Ensuring executors and trustees are capable and co-operative. The role of an executor, or liquidator in Quebec, is to administer your estate in accordance with your Will and/or the governing provincial or territorial legislation. Family members or close friends are commonly a preferred choice for these roles, but dynamics should be taken into consideration, especially when individuals opt for co-executors or co-trustees. Oftentimes, the decision for who will fulfill these roles takes place in isolation, without proper attention given to who is best qualified to take on all of the associated duties, who they will need to be in contact with and in what capacity or whether it may create friction or resentment. When individuals can't work well together, this may increase the likelihood of conflict, delays and unnecessary expenses in the estate administration process. For more information on choosing the right executor, please view the accompanying article "[A matter of informed choice](#)" on page 14.

5 Factoring in your beneficiaries' spouses. While everyone's family circumstances and dynamics are different, some individuals may wish to consider the potential that a gift to a child may end up in the hands of a daughter- or son-in-law. In general, there are two scenarios to consider here. First, if an inheriting child were to pass away shortly after the parent's death, the inheritance could pass to the child's estate, which means the asset could pass to their surviving spouse. In this situation, a "survivor clause" in which the beneficiary must survive you for a specified time period in order to inherit may be an option to consider. Second, it's important to understand how a child's inheritance may be impacted in the event of a marriage breakdown under the governing provincial or territorial legislation.

7 Leaving assets to the surviving spouse. In any situation where a surviving spouse has not been provided for in a Will, he or she may be entitled to make a claim against the estate for support (the amount and the duration vary by jurisdiction) under the applicable provincial or territorial law. Even if this is done inadvertently, this oversight means the family and the estate could be exposed to the costs, delays and stress of taking legal action to address the situation.

8 Naming beneficiaries to receive the residue of the estate. Depending on circumstances and the complexity in planning how assets will be distributed, some individuals overlook how the remaining residue of the estate will be distributed. Generally speaking, "residue" is the assets remaining after payment of debts, taxes and other expenses incurred in the administration of the estate and after any gifts of specific assets or sums of cash. Much like not having a valid Will at all, if beneficiaries aren't named to receive the residue, the leftover assets could end up being distributed in accordance with the provincial or territorial rules of intestacy.

6 Considering assets that will pass outside of the estate.

As part of putting together a Will, individuals should do a review of which assets will pass outside of the estate. This is also a point to keep in mind for updating a Will — if you decide to transfer an asset during your lifetime or make changes to an asset's structure (changing it to a joint account with right of survivorship, for example) that had previously been included in your Will, this would likely necessitate an update to the Will document. As well, ensure that any beneficiary designations made on registered assets are consistent with your Will and estate planning objectives. Any inconsistencies could result in a conflict among your heirs.

Note: This list of considerations is non-exhaustive and may not necessarily apply to your individual circumstances. As such, it is crucial to consult with qualified legal, tax and estate professionals to ensure your situation and needs have been appropriately accounted for.

When to review and revise a Will

Once individuals have created a Will, it's equally important to ensure it remains updated and continues to accurately reflect wishes and intentions. Outside of specific life events, a good rule of thumb is to



1

Marriage, divorce or remarriage.

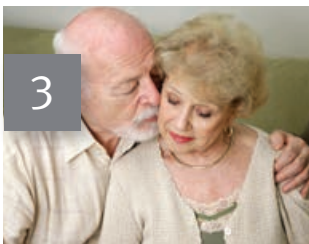
A change to marital status marks one of the most important times to update or prepare a new Will. This is because in many provinces and territories, marriage cancels any previous Wills. As such, if someone remarries and were to pass away before preparing a new Will, their estate would be treated as if they died intestate. Updating a Will after a divorce or even separation is also crucial, as these events do not cancel existing Wills in many jurisdictions.



2

Changes to financial position.

While mid-life is generally a good time to revisit your Will to confirm decisions still align with your current circumstances, shifts in financial position at any life stage should also be a catalyst for reviewing plans. For those whose net worth has increased significantly since drafting a Will, there may be new assets that need to be accounted for, changes in how to equalize beneficiaries, or new planning opportunities available to limit tax implications.



3

Death of a life partner, executor or beneficiary.

While updating a Will may be the last thing on an individual's mind following the death of a loved one or close friend, addressing these life changes in a timely manner will help decrease the chance of having estate administration issues down the road. The death of a spouse or life partner usually necessitates an update to an individual's own Will, and if the late spouse is named as executor or as a beneficiary in any regard, the corresponding documents also need to be revised. If your executor passes away, changing a Will as soon as possible is crucial to ensure you maintain both a primary and alternate person for this role. Additionally, if one or more of your beneficiaries dies, the Will and any other estate-related documents should be updated to reflect a new primary and alternate beneficiary.

References 1. <https://www.rbcwealthmanagement.com/ca/en/wealth-transfer>;
<https://retirehappy.ca/too-many-canadians-have-no-will/>



do a review of your Will every three to five years. Further to a routine review, however, the following are some situations and events that may impact a Will or the decisions made within it.



4

Acquisition of foreign property.

When purchasing a foreign property, a range of estate-related factors and their resulting consequences need to be considered. From a Will perspective, individuals need to determine if their Canadian Will (and Power of Attorney) is valid in the jurisdiction where the property is located. In some instances, a second Will may be needed.



5

Change in province or country of residence.

Every jurisdiction has its own laws and requirements pertaining to Wills, so it's crucial to consult with a qualified legal and tax advisor to ensure both your Will and estate plans are valid when you relocate either within or outside of Canada. Additionally, individuals should also confirm that their choice of executor and trustee, if applicable, are also still valid.



6

Changes to legislation.

It is beneficial for individuals to stay up to date on legislative changes, as federal and provincial laws can have a significant effect on estate planning and taxation. Here again, it's imperative to consult with a qualified tax and legal advisor to determine the impact of any changes on your personal situation and how that may ultimately impact the decisions and intentions documented in your Will.

QUICK TIP

Individuals should always ensure executors and beneficiaries either have a copy of the Will or know where it is stored. Additionally, it is crucial to keep your executor up to date anytime there is a change to your Will, or if you have created a new one, to help avoid delays and to prevent unnecessary confusion or stress when it comes time for them to fulfill their role.



LOOKING AHEAD

for yourself

and your business

If you're an owner of one of Canada's 1.2 million employer businesses,¹ you likely have a deep understanding of and appreciation for the significant time and resources that go into starting, growing and preserving a successful business, especially if you've built the company from the ground up. And regardless of whether you are in the earlier phases with your business or it's well into maturity, you may also relate to the fact that many business owners devote the majority of their attention to the day-to-day operations and activities related to the company. At the same time, however, it's also crucial to clearly define a long-term path, for yourself, for your family and for the business itself. This is especially true given the fact that in the coming years and decades, many Canadian businesses will see a shift in ownership, as almost two-thirds of small- and medium-sized enterprise (SME) owners are over age 50.² With retirement and succession on the horizon for so many business owners, it's important to recognize that it's never too early to start thinking about and planning for retirement and an eventual exit from a business. By carving out appropriate plans in this regard as much in advance as possible, business owners can help ensure their intentions and visions for the future, both personal and business-related, are realized.

Retirement and exit strategy considerations for business owners.

Making retirement plans as a business owner

It is common for many business owners to have much of their net worth tied up in their business. In situations where an owner's business represents a large portion of the value of their estate, this often means they aren't as well-diversified as those with a traditional retirement portfolio. And unlike a salaried employee with a pension, it's up to them to fund their own retirement, so planning in this regard takes on a heightened significance for business owners. Some individuals may take the approach of relying on the business to fund their retirement income, but there are a number of reasons why this may not work out as anticipated. For example, someone wishing to sell their business may have trouble finding a suitable buyer, a successor may not have the financing available when they have been identified, or depending on the market or industry, the value of the business may be lower than expected at the time of the sale.

Note: Given the complexity of the following planning considerations, it is crucial to ensure your needs and circumstances have been appropriately addressed by consulting with a qualified tax and legal professional.

This article has been compiled from "You have a business plan. What's your retirement plan?" and "Your business exit strategy," both featured in *Perspectives* Volume 1, Issue 3, Spring 2012. To read the originals, please visit www.rbcwealthmanagement.com/_ca/static/documents/Perspectives-vol-1-issue-3.pdf (page 6 and page 48).

RBC Wealth Management myGPS™ for business owners

RBC Wealth Management's myGPS™ offers a new, integrated approach for individuals, including business owners, to identify, plan, track and help realize their wealth goals. It is a tool that acts as an effective supplement to comprehensive planning, especially for business owners, who may often face more complex planning needs. Through answering a questionnaire specific to business owners, which addresses key aspects such as business structure, valuation, planning for unexpected tragedy or change, exit strategies, succession and wealth transfer, and retirement, myGPS™ then generates a customized selection of potential opportunities that may be beneficial for each particular need or goal.

For more information, please view "An integrated approach to wealth planning with myGPS™" in RBC Wealth Management's Fall 2016 issue of *Perspectives* magazine found at www.rbcwealthmanagement.com/ca/en/research-insights/an-integrated-approach-to-wealth-planning-with-mygps/detail/.

Reducing risk through retirement savings

For business owners, holding some of their retirement savings outside of the business may decrease some risk. The early years or periods of growth within a company mark an ideal time to build retirement planning into decision-making, which may be accomplished by diversifying and directing surplus assets to Registered Retirement Savings Plans (RRSPs) or Individual Pension Plans (IPPs), for example.

RRSP	A personal retirement savings plan registered with the federal government where contributions are deductible to the individual and can grow on a tax-deferred basis.
IPP	A defined benefit registered pension plan that a corporation can set up where contributions made are deductible to the corporation and can grow on a tax-deferred basis.

While RRSPs are a common approach for retirement savings, some business owners may wish to consider the additional benefits offered by IPPs. An IPP is similar to a defined benefit registered pension plan offered by large organizations to their employees, but the main difference is that IPPs usually only have a single member, typically the business owner and their spouse or a key employee.

Ins and outs of IPPs

In comparison to RRSPs, a main benefit of IPPs is that they allow a business owner's corporation to make higher tax-deductible contributions, which means they may offer greater retirement income in the future. Contributions grow in IPPs on a tax-deferred basis, in much the same way as RRSPs. With an IPP, annual contributions will vary depending on past earnings and length of service, but generally speaking, the older the business owner is, the more funds that can be contributed to the plan. When the plan is initially established, the business may also be able to make a larger contribution to cover the plan member's years of service before the IPP was set up, retroactive to 1991.

Another area where IPPs may offer additional benefits over RRSPs is creditor protection. While RRSP assets are typically only protected from creditors in a personal bankruptcy situation, IPPs are a pension, protected under federal and provincial pension legislation, and thus may present less risk in this



regard. *Note: It is crucial to consult with a qualified tax or legal advisor to discuss asset protection options appropriate for your situation.*

In considering IPPs, there are also a few potential drawbacks business owners should consider. First, there is less flexibility than with RRSPs regarding withdrawals. Since the IPP is a pension plan, the funds are locked-in during working years and in retirement (with exceptions in certain jurisdictions, which offer at least partial unlocking in certain circumstances). Second are the associated costs for administration, as IPPs are more expensive than RRSPs to administer. These costs include set-up, annual administration and mandatory actuarial valuations. Keep in mind, however, that these costs can be reduced because they are tax-deductible to the business.

Creating an exit strategy and comprehensive succession plan

For many business owners, creating an exit strategy often goes hand in hand with retirement planning. Regardless of whether you want to sell to a third party, transfer to family members or structure a management buyout, for example, advance planning for an exit may specifically aid in increasing funds you will be able to withdraw for retirement. Advance planning of an exit strategy may also make management transitions easier and provide a wider range of options going forward. With succession planning, it is crucial to engage with qualified advisors (including tax, legal, financial, estate) to help develop a comprehensive plan which balances personal and business needs, while assuring both retirement and succession intentions and goals are effectively aligned.

Succession is an area that many business owners understandably struggle with, especially if the owner has been there since the company's inception. To help make the planning process as smooth as possible, two key areas of focus should be to plan as early as possible and to ensure family members, business partners and management know your wishes and intentions and that you in turn know theirs. Being proactive with planning and discussions around succession often identifies a clearer path as to whether younger family members or management are interested in and capable of taking over the business. From there, it often becomes easier to then come to an agreement on the most suitable option and to put specific plans into motion to achieve that outcome.

Once the “big picture” decision has been made, it’s important to then take the appropriate steps to map out and formalize how that process will unfold. For a sale, this may include a valuation, assessing viability and saleability, setting a timeline and ensuring the business stays strong right up until the point of sale. For a transition to the next generation, this may include grooming the successor, hiring an additional management team as a supplement, managing the transition and considering a variety of wealth planning strategies such as an estate freeze.

For more information on business owner succession planning, please view the RBC Wealth Management (RBC WM) *Perspectives* Spring 2017 article, “The complexities of business succession and how to promote success” found at www.rbcwealthmanagement.com/ca/en/research-insights/the-complexities-of-business-succession-and-how-to-promote-success/detail/.



Exit options at a glance

In thinking about a business exit and succession, there are four main options available to private business owners.

Option	Potential advantages	Potential disadvantages
Keeping it in the family	<ul style="list-style-type: none"> • Continuity • Promotes family legacy 	<ul style="list-style-type: none"> • Family conflict • Lack of qualified or interested successors
Management buyout (MBO)	<ul style="list-style-type: none"> • Easier transition • Retention of existing leadership 	<ul style="list-style-type: none"> • Management may not have available funds for purchase, so business owner may have to accept a lower sale value • Existing management may not make good owners
Partner/shareholder buyout	<ul style="list-style-type: none"> • Continuity • Often a quick closing 	<ul style="list-style-type: none"> • Conflict over valuation
Sale to third party	<ul style="list-style-type: none"> • Quick, clean exit with maximum value 	<ul style="list-style-type: none"> • Difficulty finding a buyer • May have to disclose confidential information to a competitor who may decide not to buy

Note: Because each business situation is unique, it is important to consult with a qualified business planning professional to factor in specific circumstances when assessing the options available and to determine the most appropriate planning approaches.



Examining the true potential of a management buyout (MBO)

Generally, many business owners gravitate towards one of two routes: transitioning to family or selling to a third party. Depending on circumstances, however, an MBO can offer some additional perks that may make it a more attractive option. The following are some of the additional advantages that an MBO has the potential to offer a business owner planning to exit their business.

1

Key employees who are part of the management team are often crucial to the effective operation of the business and hold invaluable knowledge and experience, which makes them competent and qualified to help ensure the company's continued success.

2

The management team and owner usually have a strong sense of familiarity and comfort with one another, which can increase the likelihood that the transaction will be successful.

3

In most circumstances, management teams will have fundamental insight into the business — whether that's accounting, business, legal or otherwise — which can therefore make the succession process much smoother than with a third-party buyer, for example.

4

If the management team has a proven, long-standing record of operating the business, debt financing of the purchase price should be easier.

5

The transition will be less prone to hiccups and disruptions among customers, suppliers and employees if the management team remains familiar.

Charitable giving quick tip

For business owners planning to sell their business, giving back to communities by using some of the sale proceeds to make a charitable donation in the year of sale could be an option for consideration. This type of strategy generates a donation tax credit which may help to minimize the tax on any capital gains realized on the sale. If your donation is expected to be at least \$25,000, business owners may want to consider the benefits of setting up their own charitable foundation in the year of sale through the RBC Charitable Gift Program.



A closer look at the disadvantage of an MBO

A central aspect business owners need to consider for this exit strategy is the fact that internal buyers like a management team will generally not have significant amounts of personal cash to purchase the business. What this commonly means for small- and medium-sized companies is that the owner may need to offer a favourable purchase price and provide a vendor note on favourable terms in order to make the purchase feasible for the management team. In other words, an MBO may be ideal for a seller who is not adamant about maximizing all components of the sale, including value, cash proceeds on closing and deal terms. The management team should come up with some portion of the purchase price up front, even a small amount, to ensure all parties involved have some personal investment and vested interest in the business.

For mid- to large-sized organizations, securing a higher purchase price may be less difficult, as management teams will often partner with private equity firms that can contribute a substantial part of the equity component. The main potential downside to this, however, is that the management team will only receive a small portion of the ownership, given their minimal contribution of total equity. Here it becomes crucial for owners and the management team to discuss and clarify their goals and risk tolerances well in advance, as some individuals may be willing to risk personal assets or have limited control or ownership, for example, while others may not. Through understanding and examining all of the components of an MBO, as well as the potential advantages and drawbacks, business owners will be able to better determine if it's a viable option for their circumstances.

References

1. https://www.ic.gc.ca/eic/site/o61.nsf/eng/h_03018.html#point1-1
2. https://www.ic.gc.ca/eic/site/o61.nsf/eng/h_03018.html#figure8-2-1

Arugula salad with roasted beets

Prep time: 10 minutes
Cook time: 40 minutes
Serves: 4 to 6

Fast fact

This salad is loaded with superfood ingredients to help promote brain and physical health — beets are rich in antioxidants, arugula is a good source of B-vitamins, and walnuts contain high amounts of anti-inflammatory omega-3 fatty acids.

Ingredients

1 pkg. arugula (small)
1 large beet (or 2 small beets), roasted
½ cup chopped walnuts
Sprinkling of goat's cheese
2 tbsp olive oil
2 tbsp balsamic vinegar
1 tbsp maple syrup
1 tbsp Dijon mustard
Generous sprinkling of cinnamon

Directions

1. For the beet(s), roast in the oven at 400°F for about 40 minutes, or until you can easily pierce with a knife.
2. Mix dressing ingredients and set aside.
3. Add arugula, beets (chopped), walnuts and goat's cheese to a large serving or salad bowl.
4. Drizzle with dressing and serve.

Tip

For best results, add dressing to only the portion of salad that will be used that day.

Nutritional breakdown (per serving)

Calories: 240 Fats: 19 g
Protein: 6 g Fibre: 2 g
Carbohydrates: 11 g

Nutrition information calculated from the Canadian Nutrient File Database: food-nutrition.canada.ca/cnf-fce/index-eng.jsp.

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