



Wealth  
Management

# Corporate executor services

The value of appointing a corporate executor

It may take about 18 months to settle even a simple estate, and the executor has to complete as many as 70 different tasks and duties.

What does it mean to be an executor?

One of the most important financial planning decisions you will ever make is choosing an executor. If asked by a family member or friend to serve as their executor, most of us would consider it an honour. However, it can be a complicated undertaking to settle an estate according to the deceased's wishes – one that can seem overwhelming.

Acting as an executor means being responsible for an often lengthy, intensely detailed task list that comes with the burden of ensuring a loved one's last wishes are carried out, and possible legal liability. Your responsibility as an executor is to administer the estate according to the deceased's final wishes as expressed in the Will and according to the law.

## Typical duties of an executor

- Meet beneficiaries to set expectations and provide an overview of the process, from the funeral to the distribution of assets
- Arrange the funeral, memorial, cremation or burial as required
- Locate and prepare a detailed inventory of assets
- Review insurance coverage for the assets
- Arrange for the residence to be emptied and cleaned, locks to be changed and, if required, the property to be sold
- Find, review and file claims for life insurance and pension benefits
- Prepare and file up to five separate income tax returns
- Locate missing beneficiaries, if any
- Pay legacies and other bequests, and distribute the residue of the estate

It can take about 18 months to settle even a simple estate, and the executor must complete as many as 70 different tasks and duties. These include finding and, if necessary, probating the Will, protecting and distributing assets, and paying outstanding debts and taxes. You will also have to prepare a final accounting for the beneficiaries of the estate.

## Considerations when choosing an executor

Many people choose a family member or friend of their own age. When the time comes to act, the executor may not be up to the task due to age or health. Sometimes the executor may have predeceased the individual. Other considerations include:

### Complex family dynamics

Settling an estate can often create family conflict or renew existing family discord. As an executor, you need to communicate with beneficiaries and balance potentially conflicting interests. An unbiased third party can often be an invaluable resource in managing those tensions.

### Time constraints

Many executors are unaware that it can take one or more years to settle an estate, depending on complexity. People with busy lives are often challenged to carry out their duties in a timely manner.

### Lack of expertise

As an executor, you might feel that you lack the professional skills needed to handle some of the more technical aspects of the job such as filing tax returns for the deceased and the estate.

### Living outside the province or country

It is challenging to act as executor from a distance and there are potential tax implications to consider. When a non-resident of Canada acts as the sole executor of a Canadian estate, the estate may be considered a non-resident of Canada. This could potentially trigger negative tax consequences. Seek professional tax advice to determine the residency of the estate where a non-resident executor is involved. As well, an executor who lives outside the country in a non-Commonwealth jurisdiction (such as the United States) may be required to post a foreign executor’s surety bond, which may be expensive. This bond is a guarantee to the provincial courts that the executor will carry out all required duties in good faith.

### Personal liability

As executor, you will have legal responsibilities that could subject you to personal liability.

Alternatively, you can engage RBC Royal Trust as corporate executor. It is a choice increasingly being made by people who want to make settling their estate as worry-free as possible.

### If you are looking for someone to appoint as executor – we can help

Our Royal Trust professionals are skilled in the intricacies of estate administration from both an emotional and technical knowledge perspective. We are sensitive to the complexities of your unique family dynamics and approach each situation with compassion and professionalism to make the estate settlement process as easy on you as possible.



### When our corporate executor services may be right for you

- You want to ease the burden on your friends and family
- You prefer that a professional handles everything
- You have no family or friends to act as executor
- You anticipate a challenging family situation

### Fees

Below are our standard fees for the services discussed above.

#### Executor

Asset Range	Fee
On the first \$3,000,000	3.75%
On the next \$2,000,000	1.25%
On the next \$5,000,000	0.75%
On the next \$10,000,000	0.25%
Thereafter	0.10%

### Discounts

We are pleased to offer a 25% discount on the fee associated with any assets already held at an RBC member company.

We also offer a discount on executor fees if RBC Royal Trust was acting as the attorney for property immediately prior to the death.

For more information, speak with an RBC® advisor, call us at 1-855-833-6511 or visit our website at [rbc.com/royaltrust](http://rbc.com/royaltrust).

# Executor duties checklist



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The following checklist provides a summary of some of the key tasks an executor is responsible for. There may be more tasks required depending on the complexity of the estate.

If you have questions about any of the duties listed or want more information about how you can get help from an RBC Royal Trust professional, please call 1-855-833-6511.

Task	Complete
<b>Preliminary steps</b>	
1. Locate the Will and review it for specific instructions concerning the funeral	<input type="checkbox"/>
2. Assist with funeral arrangements if required	<input type="checkbox"/>
3. Obtain multiple original copies of the proof-of-death certificate, as most organizations that you will deal with as executor require original documentation	<input type="checkbox"/>
4. Ensure the family's immediate financial needs can be met	<input type="checkbox"/>
5. Review any marriage contracts, family law issues or dependant relief issues	<input type="checkbox"/>
6. Probate the Will (if necessary)	<input type="checkbox"/>
7. Pay probate taxes to the provincial government as determined	<input type="checkbox"/>
<b>Beneficiary relationship</b>	
8. Communicate directly with the beneficiaries, gather information and set expectations	<input type="checkbox"/>
9. Provide regular updates to the beneficiaries regarding the status of the administration	<input type="checkbox"/>
10. Provide a copy of the estate summary document to those beneficiaries who are entitled to one	<input type="checkbox"/>
11. Communicate with the residual beneficiaries regarding the distribution process	<input type="checkbox"/>
<b>Safeguarding the estate assets</b>	
12. Locate all of the deceased's assets (including any digital assets such as social media accounts and their associated passwords) and liabilities	<input type="checkbox"/>
13. Notify banks and institutions where the deceased held accounts or had other dealings	<input type="checkbox"/>
14. Cancel all credit card accounts and return cards to issuers	<input type="checkbox"/>
15. Open an estate account to deposit income and pay expenses, transferring any balances	<input type="checkbox"/>
16. Verify that adequate insurance is in place to protect assets	<input type="checkbox"/>
17. Secure and take control of real property, including real estate	<input type="checkbox"/>
18. Manage real estate and contents, arrange for property management and any other related tasks, prior to its sale or distribution	<input type="checkbox"/>
<b>Valuing the estate</b>	
19. Locate all original investment certificates, stocks, bonds, property deeds, etc. in the deceased's personal files and safe deposit box	<input type="checkbox"/>
20. Identify, value and record estate assets as they stood at the date of death	<input type="checkbox"/>
21. Investigate all debts owned by the deceased	<input type="checkbox"/>
22. Apply for and collect the Canada Pension Plan (CPP) death benefit	<input type="checkbox"/>
23. Contact the deceased's employer or former employer regarding pension plans, retiree benefits and death benefits	<input type="checkbox"/>
24. Apply for and collect life insurance and other insurance benefits	<input type="checkbox"/>

Task	Complete
<b>Administering the estate</b>	
25. Review the suitability of investments held in the estate and recommend which assets are to be sold to meet cash requirements	<input type="checkbox"/>
26. Invest any surplus cash until the estate is finalized, selecting from allowable investments	<input type="checkbox"/>
27. Assist in establishing any trusts stipulated in the Will	<input type="checkbox"/>
28. Cancel CPP and/or Old Age Security (OAS) benefits	<input type="checkbox"/>
29. Apply for CPP survivor's pension and/or children's benefits and Allowance for the Survivor	<input type="checkbox"/>
30. Advise the CRA to discontinue or transfer GST/HST credits and child tax benefits	<input type="checkbox"/>
31. Complete documentation and arrange to transfer employment, health, pension and retiree benefits	<input type="checkbox"/>
32. Return the deceased's social insurance card, passport, driver's licence and health card, obtaining any appropriate refunds	<input type="checkbox"/>
33. Pay all debts and settle all legitimate claims prior to the final distribution of assets, obtaining receipts for any payments made	<input type="checkbox"/>
<b>Taxes</b>	
34. Obtain a copy of the last tax return filed by the deceased	<input type="checkbox"/>
35. Complete and file all outstanding tax returns and pay any required income taxes	<input type="checkbox"/>
36. Obtain a Tax Clearance Certificate(s) from the CRA once the Notice(s) of Assessment is received, confirming that all tax liabilities have been settled	<input type="checkbox"/>
<b>Distribution</b>	
37. Begin distributing assets to beneficiaries according to the terms of the Will	<input type="checkbox"/>
38. Distribute specific bequests (personal and household belongings), obtaining receipts from respective beneficiaries	<input type="checkbox"/>
39. Prepare a reckoning of your expenses (and any compensation) as executor	<input type="checkbox"/>
40. Arrange for the final distribution of the remaining assets, obtaining receipts from each beneficiary	<input type="checkbox"/>
41. Prepare a final accounting of all assets, liabilities, expenses and the distribution of assets for the beneficiaries	<input type="checkbox"/>
42. Have each adult beneficiary approve the accounting and sign a release form	<input type="checkbox"/>
43. Advise beneficiaries to consult with a financial advisor	<input type="checkbox"/>

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