



Wealth
Management

Corporate mandatary for property services

The value of appointing a corporate mandatary for property

Many people feel overwhelmed by the thought of being responsible for managing the financial affairs of a loved one.

What does it mean to be a mandatary for property?

Acting as a mandatary (under a protection mandate) is a tremendous responsibility and one that should not be given — or taken on — without careful consideration. A mandatary's overall responsibility is to act honestly, in good faith and exclusively for the benefit of the individual appointing the mandatary (known as the mandator).

Mandataries can face responsibilities that demand a great deal of time, energy and attention to detail. We understand that these necessary administrative tasks are probably not where you want to spend your time, especially if you are also caring for a loved one.

Typical duties of a mandatary

The responsibilities of a mandatary may include:

- Consulting and communicating with the mandator as well as the mandator's family
- Managing and safeguarding assets
- Keeping detailed records of all transactions involving the mandator's property, and ensuring tax returns are filed
- Working with the mandatary for personal/health care to ensure the mandator has the necessary financial resources
- Making expenditures on the mandator's behalf for their support and care, and for the support and care of any of their dependants

Considerations when choosing a mandatary for property

Many people feel overwhelmed by the thought of being responsible for managing the financial affairs of a loved one. This is one of many circumstances where the services of a professional, such as a trust company, can provide valuable support, including for the following issues.

Complex family dynamics

Acting as a mandatary can often create family conflict or renew existing family discord. A mandatary may feel pressure from other family members or friends to act in a way that may not be consistent with what the mandator would have wanted.

As mandatory, you need to communicate openly with the mandator and the mandator’s family and balance potentially conflicting interests. An unbiased third party can often be an invaluable resource in managing those tensions.

Time constraints

Many mandataries are unaware of how much time managing someone else’s finances requires. In some cases, a mandatory’s tasks span several years, and the level of care needed may escalate over time. People with busy lives and competing time pressures of children, a career and caring for aging parents are often challenged to carry out their mandatory duties in a timely manner.

Lack of expertise

As mandatory, you might feel that you lack the professional skills needed to handle some of the more technical aspects of the job such as record-keeping, managing investments and ensuring tax returns are filed.

Living outside the province or country

It is challenging to act as a mandatory from a distance. If you live in a different jurisdiction than the mandator, there may be additional risks due to the legal, logistical and administrative complexities in managing the mandator’s affairs from afar. You may also be impacted personally or professionally, particularly if you are also providing or arranging personal health care for the mandator.

Personal liability

As mandatory, you can be held personally liable by the mandator or the liquidator of the mandator’s estate if any of your actions as mandatory come into question or are inadequately documented.

If you are considering naming someone as your mandatory for property – we can help

Our estate and trust professionals are skilled in the intricacies of acting as mandatory for property from both an emotional and technical perspective. We are sensitive to the complexities of your unique family dynamics, and approach each situation with compassion and professionalism to make the process as easy on you as possible.



When our protection mandate 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 mandatory for property
- You anticipate a challenging family situation

Fees

Fees associated with our mandatory services are based on the duties and responsibilities noted above and the delivery of the tasks defined in the Mandatory for Property Duties Checklist set out below. Fees are calculated as a percentage of the total asset size of the account. Our services may or may not include combined investment management. For fiduciary services only (i.e. mandatory services without investment management), fees range from 0.35% to 0.85%. Investment management fees are in addition to our fiduciary fees and may vary depending on the fees charged by the investment management firm.

A set-up fee may also be applicable for assets held outside of RBC. Assets held within RBC are subject to applicable discounts. Fees are only charged at the time the mandatory for property appointment is activated and after the majority of assets have been collected.

For more information, speak with an RBC® advisor, call us at 1-855-833-6511 or visit our website at rbc.com/estateandtrustservices.

Mandatory for property duties checklist

The following checklist summarizes the range of tasks that may be involved in assuming mandatory duties (under a protection mandate for property) for a mandator. The extent to which these duties should be performed by the mandatory will depend on the circumstances of the mandator, and as such, not all may be applicable.

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

Task	Complete
Preliminary steps	
1. Obtain a copy of the protection mandate	<input type="checkbox"/>
2. Verify that the protection mandate is the most recent one signed by the mandator	<input type="checkbox"/>
3. Ensure that any and all preconditions for acting as the mandatory have been met	<input type="checkbox"/>
4. Confirm if others have been named to act as mandatory and in what capacity	<input type="checkbox"/>
5. Confirm that the protection mandate authorizes acting in respect of all or only some of the mandator's property/assets, and whether there are any other restrictions that apply (e.g. the protection mandate can restrict the investments to be made)	<input type="checkbox"/>
6. Obtain copies of any management plans or court orders related to the protection mandate	<input type="checkbox"/>
7. Discuss the Protection Mandate, and duties and authority as mandatory, with the mandator (if possible)	<input type="checkbox"/>
8. Review the mandator's personal records and contacts, and establish a system for ensuring the organization and protection of this information and actions	<input type="checkbox"/>
9. Consult with the person acting as mandatory for personal/health care regarding the health care, safety and shelter of the mandator; obtain a written description of decisions made and make all necessary financial arrangements	<input type="checkbox"/>
10. If there is no named mandatory for personal/health care, obtain legal advice regarding the mandator's current circumstances	<input type="checkbox"/>
11. Notify personal attendants, housekeepers, gardeners and other staff of our role as mandatory, and advise as required	<input type="checkbox"/>
12. Establish relationships with the close family, friends and other key caregivers of the mandator	<input type="checkbox"/>
Initial tasks	
13. Create a complete list of the mandator's assets and liabilities/debts including any digital assets such as social media accounts and passwords as of the date of your first action	<input type="checkbox"/>
14. Locate all original investment certificates, stocks, bonds, property deeds, etc., and document them	<input type="checkbox"/>
15. Identify and document all other personal assets, and arrange for a market valuation	<input type="checkbox"/>
16. Check the Bank of Canada and Revenue Quebec websites for unclaimed balances in the mandator's name	<input type="checkbox"/>
Safeguard assets	
17. Notify all banks, brokers and financial institutions the mandator has business with that we are acting as the mandator's mandatory; confirm whether the mandator executed any other protection mandate with them, and redirect statements if necessary	<input type="checkbox"/>
18. Review the suitability of the mandator's investment portfolio and any surplus cash, making any necessary and allowable adjustments to meet the mandator's current and future needs; monitor the investment portfolio on a regular basis	<input type="checkbox"/>
19. Notify appropriate institutions and redirect annuities, pensions and registered funds	<input type="checkbox"/>
20. Notify the appropriate authorities and redirect all sources of income including CPP/QPP, OAS, Veteran's Pension Payments and GST/HST credits	<input type="checkbox"/>

Task	Complete
Safeguard assets (continued)	
21. Apply for any pensions or other payments to which the mandator may be entitled	<input type="checkbox"/>
22. Notify insurance companies or other institutions regarding auto, home, disability or life insurance that we are acting as the mandator's mandatary, and redirect statements if necessary	<input type="checkbox"/>
23. Ensure adequate insurance for the assets and upkeep of the property	<input type="checkbox"/>
24. Cancel auto registration and insurance, if applicable, and collect any refunds	<input type="checkbox"/>
25. Set up disability insurance payments if required	<input type="checkbox"/>
26. Cancel the mandator's debit and credit cards	<input type="checkbox"/>
27. Arrange for the sale of assets (including real property) if required	<input type="checkbox"/>
28. Arrange for the sale of household goods and personal effects to the named beneficiaries if required	<input type="checkbox"/>
29. Cancel memberships and other subscriptions if required	<input type="checkbox"/>
Prioritize expenditures	
30. Create a monthly budget consisting of all income expected and payments required to ensure the mandator's immediate and ongoing financial needs can be met	<input type="checkbox"/>
31. Pay all expenses as required	<input type="checkbox"/>
32. Arrange for the payment of debts with any surplus cash (pay by cheque and have cheques returned)	<input type="checkbox"/>
Taxes	
33. Notify Canada Revenue Agency and Revenue Quebec, provide them with a copy of the protection mandate and request a statement of account showing all outstanding taxes, refunds and instalments paid up to the current date	<input type="checkbox"/>
34. File any outstanding and ongoing tax returns and pay all income taxes owing	<input type="checkbox"/>
35. Collect tax slips, medical and donation receipts as required	<input type="checkbox"/>
36. Determine whether the mandator is subject to any foreign tax jurisdictions (e.g. if the mandator is a U.S. citizen) and determine how to address the situation (seek tax and legal advice as necessary)	<input type="checkbox"/>
Keep meticulous records	
37. Establish an ongoing list of acquisitions and dispositions made on the mandator's behalf (e.g. money received, investments made, liabilities incurred or discharged), obtaining and retaining receipts for all transactions	<input type="checkbox"/>
38. Investigate and record all debts owed by the mandator	<input type="checkbox"/>
39. Document any compensation (including assets used in calculation) taken for mandatary duties	<input type="checkbox"/>

For information or questions related to the protection mandate for personal/health care, please contact your legal counsel.

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