

# Why Avoid Probate?

Older retirees planning to transfer their wealth to the next generation may be concerned about fees and expenses on their estate. Market volatility, court delays and transfer taxes can erode family wealth.



## How much could wealth transfer cost in British Columbia?

Here's through Probate		Here's through a BMO Segregated Fund	
<b>Total Wealth on Death:</b>	<b>\$200,000</b>	<b>Total Wealth on Death:</b>	<b>\$200,000</b>
Probate Fees*	-\$2,250	No Additional Fees involved*	
Legal*	-\$1,250		
Executor*	-\$10,000		
Accounting*	-\$1,250		
<b>Total Wealth Distributed:</b>	<b>\$185,250</b>	<b>Total Wealth Distributed:</b>	<b>\$200,000</b>
<p>Wealth      Cost and Delays      Smaller Estate</p>		<p>Wealth      Estate</p>	
<p>\$1 trillion in wealth transfer expected over the next twenty years in Canada.†</p>		<ul style="list-style-type: none"> <li>• Private and quick transfer of wealth</li> <li>• Creditor Protection**</li> <li>• Guaranteed Death and Maturity Values</li> <li>• Low Fee BMO ETF based investment options</li> <li>• Ability to lock in market gains</li> </ul>	

### Understanding the Probate Process

#### Lack of Privacy:

- probate is a public process
- public disclosure could increase the risk of a court challenge from family or creditors

#### Costs:

- executors, lawyers and accountants
- probate taxes and unintended beneficiaries

#### Delayed Payouts:

- uncertainty of timing and magnitude of payout
- beneficiaries inherit administrative responsibilities with lower payouts later



After probate wealth distributed across Canada on a \$200,000 estate\*

Province	Amount	Province	Amount
● British Columbia	\$185,250	● Nova Scotia	\$184,802
● Alberta	\$187,100	● Prince Edward Island	\$186,700
● Saskatchewan	\$186,100	● Newfoundland and Labrador	\$186,246
● Manitoba	\$187,500	● Yukon	\$187,360
● Ontario	\$185,250	● Northwest Territories	\$187,200
● Quebec	\$187,500	● Nunavut	\$187,200
● New Brunswick	\$186,500		



We're here to help.™

\* Based on the following estimated costs (as of November 30, 2020): Legal \$1,250, Executor \$10,000 and Accounting \$1,250. Probate costs vary by province, and may not apply in Quebec and Manitoba.

\*\*Creditor Protection rules depend on legislation and vary by province. It cannot be guaranteed. Please consult a legal advisor for your specific situation.

† Source: BMO Wealth Institute: Passing it on: What will future inheritances look like? August, 2018.

**Any amount that is allocated to a segregated fund is invested at the risk of the policy owner and may increase or decrease in value.**

Insurer: BMO Life Assurance Company.

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