

 Trimark® *Talking About Money™*

Your
Estate
Matters

10

Ten Simple Steps

Estate planning is about life – in the present and in the future. Most importantly, estate planning is about the life of your family and loved ones – and the peace of mind you get from helping to preserve their financial security.

By its very nature, estate planning is a difficult subject to discuss – even more so to plan for because it forces us to come to terms with our own mortality. Yet it's something you need to talk about openly with your loved ones today because you can't do so after you're gone – or after they're gone.

Each person will approach estate planning differently with personal motivations and expectations. And no estate plan will be exactly like another.

Three Rational Motivations

- 1 Provide adequately for family members and/or loved ones
- 2 Ensure that your estate is distributed in the most timely manner possible after your death
- 3 Minimize taxes – during your lifetime and, equally important, for the beneficiaries of your estate

Three Emotional Motivations

- 1 Gain comfort from knowing your loved ones are well looked after
- 2 Feel secure knowing that settling your affairs will not add more stress to those grieving for you
- 3 Rest assured that your estate will be distributed the way you wish

Passing on our Treasures

For many people an important part of estate planning is making provisions to pass on treasured possessions. With that in mind, Trimark asked its own employees what they would want to leave behind. The stories featured here are theirs and convey the special significance they place on the object they describe in each vignette. You may also have a cherished belonging and a similar story to tell; we hope that reflecting on its meaning for you will inspire you to consider what matters most in your life and to take action to protect it.

Your Payoff for Reading On

This brochure was created to give you an outline of what you need to do to make your estate plan complete. You will need advisers, including a financial adviser, lawyer and possibly a tax professional to apply the most current tax, trust, estate and family laws of your province to your personal situation. Our comprehensive estate planning checklist and recommended reading list will help to expand your knowledge. Above all, we hope this brochure inspires you and gives you the confidence to deal with the challenges associated with handling estate matters.

Why You Need an Estate Plan

Estate Planning

- ▲ Keeps more of your money in the hands of your heirs; prevents the government from getting more than it's entitled to
- ▲ Minimizes income taxes and probate fees (no probate fees in Quebec)
- ▲ Designates charitable gifts; declares your personal care preferences, including terminal medical treatment and organ donation intentions
- ▲ Provides for income splitting that has tax advantages
- ▲ Distributes your assets as you intended; provides funds to cover funeral expenses, as well as immediate and/or long-term family living costs
- ▲ Ensures business continuity, if you own or manage a small business
- ▲ Identifies the persons chosen to carry out your last wishes and care for your minor children

Estate? What Estate?

Too often, estate planning professionals hear, "I wish I'd known about this sooner" from distressed family members. Whatever your status – male, female, married, widowed, divorced, single, young, old, middle class or wealthy – everyone needs estate planning. Unfortunately, too few people follow this advice.

A 1998 Decima Research survey, conducted for the Canadian Bar Association, revealed that only 49 per cent had engaged in some form of estate planning – 24 per cent on their own and 21 per cent with the help of a professional. The research also revealed that 47 per cent did not have a will at all.

The "do nothing" option is not in the best interests of your family, your business or other relationships. As the world we live in becomes increasingly characterized by legal action and government intervention, estate planning is something everyone should do.

Creating Your Estate Plan – Step by Step

When many Canadians think of estate planning, they think solely of a will. In truth, it's much more. This step-by-step checklist will take you through the entire estate planning process and ensure that you cover all the bases.

The rules covering the legal concepts outlined in this brochure may vary from province to province. Ask your financial adviser or lawyer for more information.

Step 1

Designate a Team of Professionals

The complexity of your situation will determine the assistance you will require from professionals to create your estate plan. Your team may include a financial adviser, lawyer and tax planner. On a personal and emotional level, it's best to work with people whom you trust and feel totally at ease with. We recommend you make time to interview each practitioner thoroughly before retaining his/her services, as he/she will have access to some of the most intimate details of your life.

The most logical place to start, therefore, is with a professional you've likely already established a trustworthy relationship with and who knows the intimate details of your personal goals – your financial adviser.

FINANCIAL ADVISER'S ROLE

- 1 Help develop estate goals
- 2 Liaise with other practitioners on the team
- 3 Perform cost-benefit analysis
- 4 Provide strategies for you to maximize size of estate
- 5 Provide direction on various strategies and their implementation
- 6 Ensure timely planning and implementation of plan
- 7 Ensure competent management of assets
- 8 Provide support for you when creating your plan
- 9 Communicate with beneficiaries and help with administration (when needed and as appropriate)

LAWYER'S ROLE

- 1 Review your estate goals
- 2 Draft legal documents: wills, powers of attorney, letters of wishes
- 3 Provide direction on various strategies and tactics
- 4 Draft, validate and interpret trusts
- 5 Represent the estate in litigation of wills and estate disputes
- 6 Mediate or arbitrate any estate disputes
- 7 Serve as trustee, executor or agent, if asked
- 8 Assist estate and trust administrators to interpret your wishes

TAX PLANNER'S ROLE

- 1 Assess estate goals from a tax perspective and advise accordingly
- 2 Reduce the tax bite during your lifetime and at death
- 3 Advise on tax implications of various strategies and tactics

Step 2

Draw Up a Household Balance Sheet

A household balance sheet is a summary of your financial situation that ultimately determines your overall net worth. Your net worth is the value of your assets (what you own) minus your liabilities (what you owe). Work with your financial adviser to develop your household balance sheet.

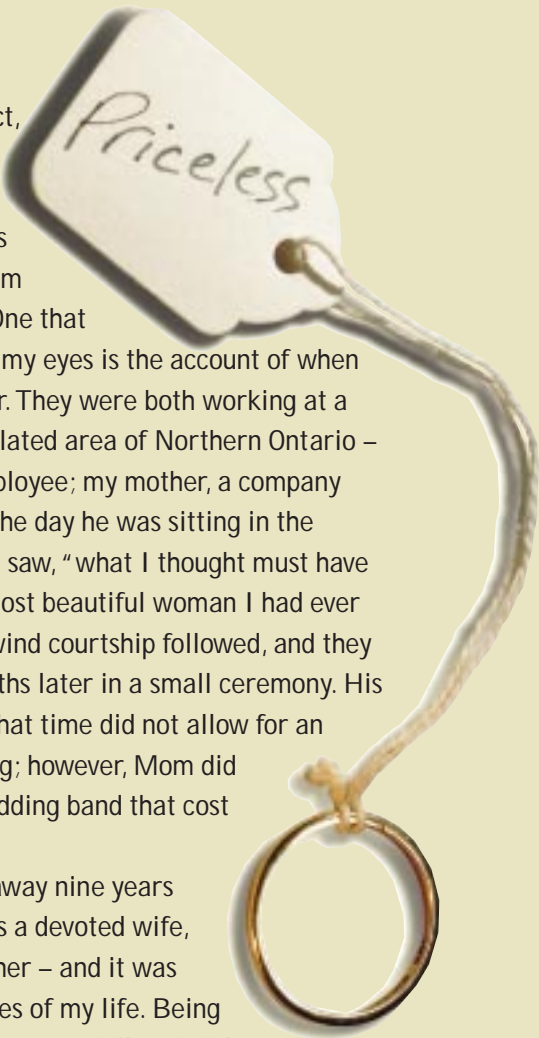
A HOUSEHOLD BALANCE SHEET HELPS YOU:

- ▲ See how vulnerable you might be to shifts in your circumstances (i.e., should a death or disability occur)
- ▲ Understand how risk tolerant and comfortable you are with handling your debt
- ▲ Reflect on your lifestyle and consider what is most important to you
- ▲ Review income that will be available to support your family, including insurance proceeds from policies

A Thin Gold Band

As a retirement project, my father wrote his memoirs to put on paper the many stories we have heard from him throughout our lives. One that always brings tears to my eyes is the account of when he first met my mother. They were both working at a hydro project in an isolated area of Northern Ontario – my father, a hydro employee; my mother, a company nurse. Dad described the day he was sitting in the cafeteria at lunch, and saw, “what I thought must have been a mirage – the most beautiful woman I had ever laid eyes on.” A whirlwind courtship followed, and they were married six months later in a small ceremony. His financial situation at that time did not allow for an elaborate diamond ring; however, Mom did receive a thin gold wedding band that cost Dad about \$5.00.

My mother passed away nine years ago – after 40 years as a devoted wife, mother and grandmother – and it was one of the hardest times of my life. Being the only daughter, it was especially painful. Her jewelry was all left to me, and I divided much of it among her five granddaughters who loved her dearly. I kept the thin gold band. It hasn't left my finger since the day I slipped it on, and acts as a constant reminder of her love. It will leave only when I am no longer here to wear it, and I will pass it on to her eldest granddaughter, whom I am sure will hold it as closely to her heart as I do. It may have cost only \$5.00, but to me it is priceless.



Janet Brown

Janet Brown

Step 3

Understand Your Life Insurance Needs

Life insurance is crucial to estate planning because proceeds from policies can be used to:

REPLACE INCOME

Your family may lose your income once you die. The insurance money can be invested to produce income to replace some or all of the lost earnings.

PAY ESTATE EXPENSES

People often underestimate the cash required to pay all the expenses, including funeral expenses, income taxes, estate administration and probate fees, and other debts payable. The proceeds from an insurance policy can save your family from these burdens.

LEAVE AN INHERITANCE

If you don't own a lot of assets, this is one of the best ways to provide for your loved ones.

Key Question #1

With estate planning in mind, what types of insurance should be considered?

Here are the most common:

- ▲ Whole life can be expensive but works as an investment and provides a death benefit; it builds a cash value that's tax-deferred
- ▲ Term insurance has no cash value and is less expensive
- ▲ Universal life has a term insurance component and a tax-deferred savings or investment component

Key Question #2

How much insurance do you need?

Ideally, you must try to balance affordability with what you think your beneficiaries will need. Examine your debts, income needs, occasional and regular expenses and expected future expenses.

On your death, the proceeds from an insurance policy go to the designated beneficiary. If you have minor children, you may want the proceeds to be held in a trust created in your will.

If you are part of a closely held business where associates are shareholders, insurance proceeds allow the surviving associates to acquire your interests. You'll need the help of a lawyer, accountant and insurance agent or financial adviser with this situation.

Step 4

Draw Up Your Will

THE PURPOSE OF A WILL IS TO:

- 1 Administer and/or pass on assets that have not already been distributed prior to death
- 2 Name the person (executor or executrix) or institution that will administer your affairs on death
- 3 Name a guardian¹ for any minor children
- 4 Express any limits on the use of your assets

A will is a crucial legal document signed in accordance with specific rules. If you die without one (die "intestate"), provincial legislation dictates who handles everything, who gets what, and who cares for your children.

Anthony & Lynn's Story

Besides being a good businessman and savvy investor, Anthony is also a smart estate planner. Over his 60 years, he built an RRSP nest egg valued at \$750,000, a healthy provision for his wife and grown children. Anthony named his wife, Lynn, the beneficiary of his RRSP. On his death, taxable withdrawals can be made from the RRSP to support Lynn for the rest of her life.

However, if they both died by accident, the RRSP would be fully taxable – as much as \$375,000. As this is Anthony and Lynn's main asset, the tax due would take a serious bite out of their children's inheritance. To counter this eventuality, Anthony purchased a life insurance policy to cover the tax bill, thereby guaranteeing the children would receive the full value of the RRSP.

THERE ARE THREE TYPES OF WILLS:

FORMAL WILL

- ▲ Typed and signed by you in the presence of at least two witnesses
- ▲ Witnesses cannot be your beneficiaries or their spouses
- ▲ Typically drafted by lawyers to ensure your will is legally valid, meets your needs and does not create any future problems

HOLOGRAPH WILL

(Not accepted in some provinces)

- ▲ Written entirely in your own handwriting and signed by you
- ▲ No witness is necessary
- ▲ Not recommended as it may leave family members with a morass of legal complications
- ▲ Your heirs may have trouble trying to interpret your expressed wishes and financial institutions may be reluctant to transfer assets in accordance with your wishes

NOTARIAL WILL (In Quebec only)

- ▲ Made before a notary
- ▲ Signed by you, a witness and a notary
- ▲ Kept by notary in special register

Your will won't become effective or public until your death. Until then, you can change the terms or revoke it completely – as long as you are mentally competent. Your will should be reviewed at least once every three years to ensure it has not been affected by changes in legislation or your personal situation.

Postcards From the Turn of the Century

I have a collection of postcards from the turn of the century that were sent to my grandmother, Hannah May O'Neill, when she was a young girl. They feature Victorian motifs like violets and other flowers, cherubs and pictures of Detroit and London, Ontario at the time. Some have stamps bearing King Edward VII's portrait. There is one from March 1912 – one month to the day before the sinking of the Titanic. My grandmother would go on to attend "normal school," teachers' college, and would teach in one-room schoolhouses. She was proud of her heritage as a third-generation descendant of Ulster Irish who had come to Canada at the time of the potato famines in the 1840's. She had only one child – my wonderful mother. I knew my grandmother only when half a lifetime of ill health had taken its toll on her, but when I look at these postcards I imagine her as she was then – a vivacious, beautiful young girl whom the boys serenaded with "Peggy O'Neill."

Sharon Galvin

Sharon Galvin



Appoint an Executor²

Selecting and appointing an executor may be one of the most important decisions you'll ever make. An executor is the person, named in your will, who is responsible for settling and managing your affairs after your death. He/she must follow the instructions in your will and is ultimately responsible to the beneficiaries.

This is not an honour you are bestowing on a friend. There are plenty of other ways to involve your friends in your estate plan. You are selecting the person who will be best suited and capable to either handle all your affairs after you're gone or oversee their administration with the assistance of knowledgeable professionals. The appointment may be an imposition as the designate must be able to:

- 1 Commit time to carry out all duties and responsibilities
 - may include taking time off from work or sacrificing other personal responsibilities
- 2 Deal with your family members, perhaps for a number of years if the estate assets are not immediately distributed

Make sure you and the person you designate completely understand the responsibility you are entrusting.

EXECUTOR'S DUTIES

- 1 Prepares a statement of assets and liabilities and oversees them
- 2 Settles the liabilities of the estate, including all legitimate claims by creditors, funeral and other expenses
- 3 May submit the will for probate
- 4 May have to arrange the funeral
- 5 Completes life insurance claims and collects proceeds of policies in force, if estate is beneficiary
- 6 Distributes assets and property to beneficiaries according to the instructions in the will
- 7 Invests, manages and distributes funds held in ongoing trusts
- 8 Files the final income tax returns and secures releases from Revenue Canada

With these duties in mind, consider the following character traits when appointing your executor:

INTEGRITY AND GOOD JUDGMENT

Will the person be able to act fairly in dealing with family members?

WILLINGNESS

Has the person seen the will and is he/she willing to take on the commitment?

TIME, PATIENCE AND ORGANIZATION SKILLS

Will he/she be able to follow up on all of the details, either directly or with assistance of professionals?

ACCESSIBILITY

Will the person be around to talk to family and advisers? Does he or she live nearby?

FAMILIARITY

Can he or she deal with the family dynamics?

LEGAL AND FINANCIAL AWARENESS

Will he or she understand where professionals may be needed for investment, tax and legal advice?

Many people often appoint more than one executor. Some people appoint a family member because of their understanding of family dynamics, and a professional to handle administrative and legal aspects of the estate settlement. Naming an alternate is also wise if your appointed executor(s) cannot serve.

Fourth Generation Owner

I am a fourth generation owner of a complete set of china. My husband's great grandmother was the first owner. The set is so old that I don't allow myself to handle it, since I'm such a klutz. When we use it to entertain, my husband sets the table, clears the table and does the dishes. Actually, I don't mind being a klutz in this case – it gets me out of those chores!



Theresa Widdifield



Some of the reasons for choosing a corporate executor (e.g., Trimark Trust can act either as executor or agent to the executor) are:

- ▲ You do not want to burden family members or friends
- ▲ You do not know anyone who has the expertise to be your executor
- ▲ You do not have immediate family members who live close by, or do not want to have them involved
- ▲ You anticipate potential family strife, favouritism or jealousies
- ▲ You anticipate struggles for control over certain assets or business interests
- ▲ Your appointed individual executor is unable or unwilling to undertake the task
- ▲ You want to make sure your wishes are carried out, if you and your spouse die in the same tragedy

Rob & Laura's Story

Rob and Laura were married for 15 years and had two healthy children. After Rob's untimely death, Laura was not particularly worried about her financial situation given that their house was fully paid for and there was a handsome investment portfolio in Rob's name and an insurance policy that named his estate as beneficiary. Altogether, Rob's investment assets totalled over \$450,000. Yet upon contacting her lawyer, Laura discovered Rob had never prepared a will, much to her financial detriment.

Without a will, an application had to be made to the court to appoint an administrator. This triggered the payment of probate fees of \$6,000 plus administration fees of another \$5,000. Laura was entitled to inherit the first \$200,000 of Rob's estate, with the remainder to be

split among Laura and their children.³ She also had to sell some of their investment portfolio to pay legal fees due to the probate process and to raise funds for the children's legal shares of the estate. What's more, the investments had appreciated significantly, leaving the estate with a large capital gains tax liability totalling thousands of dollars. The \$7,000 left in a joint savings account was wiped out by funeral and associated expenses.

Preparing a will and instituting some other simple estate planning measures such as naming Laura the beneficiary of the life insurance policy could have changed this situation. Laura could have saved probate fees, eliminated the need for administration fees, reduced legal costs, deferred capital gains payments and virtually eliminated any family fallout.

Appoint a Guardian

A guardian is the person who will become the legal custodian of your minor children should you die. Choose someone you trust, and who understands what you think is best for your kids. A guardianship remains in force until children reach the age of majority.

Parents should openly discuss their desires with the person or people they want to appoint as guardian(s), to ensure the appointee(s) are willing to take on the responsibility. Remember that a good choice for a guardian when your children are toddlers, may not be a wise choice when they are teenagers.

CRITERIA FOR CHOOSING A GUARDIAN

- ▲ Does the person share your child rearing values?
- ▲ Is the person, or family, someone your children would want to live with?
- ▲ Is that person willing to assume the responsibilities of guardianship?
- ▲ Does your will provide sufficient financial support for the children while they are in the guardian's care?
- ▲ Can that person afford to raise and support your children?

At some point in the future, due to an accident, disability or simply old age, you may be unable to make your own financial or medical decisions. But you can prearrange for someone to make these decisions according to your wishes by having your lawyer draft a separate power of attorney for property and personal care.

Step 5

Establish Power of Attorney for Property⁴

A power of attorney for property gives one or more people the authority to manage your financial affairs if you cannot do so – the person you appoint should be someone you would literally trust with your life (it could be the executor appointed in your will).

There are two types:

- ▲ General – covering all aspects of your financial affairs, or
 - ▲ Limited – limiting the scope of powers given to your designate(s)
- If prepared properly under relevant legislative restrictions, a power of attorney for property will remain valid if you become mentally incapacitated.

All powers of attorney terminate on death, the appointment of a committee or guardian by a court order, or on the death of the person you have appointed as attorney.⁵ You can revoke a power of attorney at any time, as long as you are mentally competent.

Step 6

Establish Power of Attorney for Personal Care

Medical and lifestyle decisions must often be made quickly when someone is seriously ill; hence, one or more family members are often granted this power of attorney to make decisions for you.

Power of attorney for personal care includes direction for your health care, nutrition, shelter, clothing, hygiene and safety issues, as well as your final wishes from a medical perspective. While not binding in all provinces, you should discuss your desires with your doctor and family so they know your preferences if you cannot communicate them yourself. A lawyer can help you prepare this and advise you of the limitations that may apply.

Step 7

Minimize Taxes and Administration Fees

Your estate may encounter certain obligations for income tax and probate fees on your death, which may reduce the proceeds intended for the beneficiaries of your estate. If any part of your estate must go through probate to validate the will before transferring ownership of assets – it may be subject to probate fees.

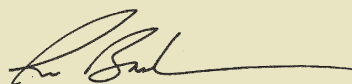
KEEP IT IN THE FAMILY

To minimize income taxes and probate fees payable, there are ways to distribute assets to your heirs outside of your estate. The key is to reduce the value of your estate. The simplest way is to ensure you have designated beneficiaries for RRSPs, RRIFs, annuities, life insurance policies and GICs issued by insurance companies so that assets do not form part of your estate.⁶

Institutions may not be required by law to have executors file for probate to transfer the proceeds if there is a designated beneficiary named. Keep your beneficiary designations up to date since these assets are distributed according to the last beneficiary designation on record. If your spouse is your beneficiary, consider adding an alternate beneficiary to cover the possibility that you both die at the same time.

Ancient Pocket Watch

M.G. Shaw owned all the timber cutting rights around Moosehead, Maine. He carried out pulp and paper and lumbering for a number of years and sold his company to International Paper in 1855 for about US \$ 5 million. M.G. Shaw was my great great great grandfather on the paternal side. The family depleted most of M.G. Shaw's fortune. The only item that I possess from this side of the family is a pocket watch belonging to one of M.G. Shaw's sons – Wilbert, Al or Charles. I am the descendant of Wilbert and the fifth generation owner of the watch.



Robert Bradeen



Maximize Your Heirs' Inheritance with Trimark Seg Funds

With Trimark Seg Funds you get a death benefit that guarantees your principal⁷ or its market value – whichever is greater. Your beneficiary will be paid the guaranteed death benefit immediately – without the wait that may accompany the settlement of an estate. Since proceeds from seg funds do not form part of your estate, your loved ones won't have to pay probate fees and legal fees charged by the executor of your will. This means you can preserve the value of your investment and pass it on to your beneficiary without extra costs or hassles. For more information on Trimark Seg Funds, please call 1-800-TRIMARK (874-6275).

Here are some other options that may or may not apply to your circumstances:

▲ ESTABLISH JOINT OWNERSHIP WITH RIGHT OF SURVIVORSHIP

In this case, property passes to the survivor by law rather than through the will. Since the jointly held asset does not form part of the first joint owner's estate, the need for probate on jointly held property and the payment of probate fees is eliminated.

▲ LEVERAGE INSURANCE

Some insurance products provide a straightforward alternative for minimizing probate fees. GICs issued by insurance companies are actually annuities and are eligible to be paid directly to designated beneficiaries rather than passing through the estate. This eliminates the probate fees that are payable on the GIC.

You may want to consider additional life insurance to cover administrative and tax liabilities. Cash generated from insurance policies is also a reasonable solution for generating liquidity to cover probate fees, tax liabilities and other debts payable at death.

Whenever capital is required at death, life insurance should be a key estate planning consideration. Life insurance solutions, however, are contingent on the individual's age, health and insurability, as well as the ability to pay the annual premiums.

▲ PREARRANGE FUNERAL

Prearranging funeral plans will eliminate costly purchases by grieving family members. Anyone who has arranged funeral plans knows the stress, confusion, pain and potential for added costs that can result from last minute preparations.

Preplanning funeral arrangements can drastically reduce costs. It also allows for family input, ensures your wishes are followed and relieves family members from having to make decisions at a difficult time.

▲ MINIMIZE TAXES PAYABLE ON THE ESTATE

Income taxes are for many estates the single greatest liability on the balance sheet. In fact, where assets are not transferred to a surviving spouse, many people and their beneficiaries are surprised to learn that the received value of an estate is substantially less than they thought because of taxes payable on it before distribution.

The two largest tax bills generally result from the deemed disposition of investments. In the case of an RRSP account, the balance is paid out and is taxed to the estate as income. For non-RRSP investments, taxes must be paid on all the unrealized gains of the investments. Often the greatest gains are realized on property other than an individual's principal residence (a family cottage, for example).

▲ ESTABLISH A LIVING FAMILY TRUST

By transferring assets to a living trust while alive, the assets are removed from the estate and therefore reduce the value of the estate subject to probate fees. This also ensures that the testator maintains control over the assets transferred to the trust. The planning actions referred to here may have adverse tax consequences and may not be in keeping with your financial goals. We recommend that before you implement any of the suggested actions, you get financial and legal advice.

Step 8

Keep Track of Accounts and Important Information

One of the most difficult roles for an executor and family members is gathering the information required to settle the estate. Take this concern away. Centralize all household information from birth certificates, passports and other legal documents, to bank accounts and insurance policy numbers, to day-to-day long distance phone companies and hydro. Once you have documented your important information, put a copy in a safe place and let someone close to you know where it is.

Step 9

Review and Update Regularly

Review and, if necessary, update all information at least once a year. By updating your statement of net worth, you are getting a snapshot of where you are on an annual basis. This gives you the opportunity to compare where you were to where you are now and, if need be, to revise your financial plan to get you where you want to go. This should include a review of your company benefit statement for coverage and beneficiary designations for life insurance, RRSPs and pensions.

Step 10

Share Your Plans

It's really important to share your plans. There's nothing more disturbing than for someone to have to deal with incomplete information or requests. As difficult as it may be, make sure that all those affected by your plans know where things are and what they need to do. Remember that all the planning in the world won't help you if no one knows about it.

Bring Your Estate Plan to Life

Contrary to the unconscious fear many people may have, preparing an estate plan will not hasten your demise. In truth, you'll find the process to be liberating, providing you with the peace of mind that comes from knowing your loved ones will not be burdened with sorting out your personal and financial affairs. No doubt they'll have much grief to contend with, but removing unnecessary problems will help them cope with their loss, making life in the present – and in the future – that much more enjoyable.

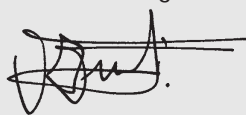
Experts Consulted:

Trimark would like to thank the following individuals for their assistance in preparing this brochure:

- Robert D. Finlayson, partner, Smith Lyons, Barristers & Solicitors
- Gilles Leclerc, partner, Desjardins Ducharme Stein Monast, Barristers & Solicitors

The Gold Engagement Bracelet

I have something of great value to me – a gold bracelet bought by my grandfather as an engagement present to my grandmother in 1945. In 1971 my parents, my brother and I escaped from Bulgaria, which was a communist country at the time. We almost lost the bracelet in the river we were secretly crossing. When we arrived in France with nothing except the clothes on our backs, my mother almost sold the bracelet. Today, I'm glad to say that the bracelet is still within the family. My mother gave it to me this summer and I hope I'll never be obliged to sell it.



Veska Evans

Recommended Reading List:

Condon, Gerlad M. and Jeffrey L. Condon. *Beyond the Grave*. New York: HarperCollins Press, 1996.

Ramsey, Dave. *Financial Peace*. New York: Viking Penguin, 1997.

Benner, David G. *Money Madness and Financial Freedom*. Calgary: Detselig Enterprises Ltd., 1996.

Hayes, Dr. Christopher L. and Kate Kelly. *Money Makeovers*. New York: Doubleday, 1998.

Foster, Sandra E. *You Can't Take it With You: The Common-Sense Guide to Estate Planning for Canadians*. Second edition. Toronto: John Wiley & Sons, 1998.

About Trimark Investment Management Inc.

Complete financial planning isn't about choosing mutual funds and other investments. It should be about what you want out of life. Once that's clear, your adviser can help you match your investments to your needs.

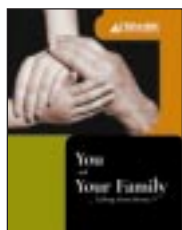
We know that some of life's crises can't be avoided, but we believe that talking about money matters and taking control can limit the financial and emotional harm that can result from them.

Trimark is a leading Canadian investment company and has been managing mutual funds since 1981. We recognize that investment decisions often pose difficult choices. If we can't directly contribute to the plan you and your financial adviser develop, we'll be satisfied having simply raised these issues for your consideration and discussion.

Further Information from Trimark

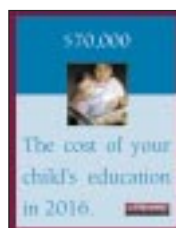
Informed investors make better investment decisions. You may find some of the following useful for your financial planning.

YOU AND YOUR FAMILY ... TALKING ABOUT MONEY™



Written with input from noted financial psychologists and family therapists, the *You and Your Family ... Talking About Money™* brochure examines the behaviours that inhibit family financial discussions and offers concrete solutions to encourage open and useful dialogue.

LEGACY FOR LEARNING®



Legacy for Learning® explores using in-trust accounts or Registered Education Savings Plans (RESPs) to help save for the rising costs of post-secondary education.

APPRECIATING YOUR WORTH®



Appreciating Your Worth®, a program for women, illustrates how you can find balance and financial well-being by taking control of your finances.

If you'd like information about any of our programs, call us toll free at 1-800-TRIMARK (1-800-874-6275). And please visit us on our Web site: www.trimark.com to find more useful information.

Checklist

		To do	Pending	Complete	Notes
1	Designate a team of professionals				
2	Draw up a household balance sheet				
3	Understand your life insurance needs				
4	Draw up your will				
5	Establish power of attorney for property				
6	Establish power of attorney for personal care				
7	Minimize taxes and administration fees				
8	Keep track of accounts and important information				
9	Review and update regularly				
10	Share your plans				

NOTES

¹ In Quebec, a guardian to minor children is called a “tutor.” The right to appoint a tutor belongs to the last surviving parent.

² In Quebec, this function is carried out by a liquidator.

³ In Quebec, the spouse receives one-third of the estate; the remaining two-thirds is split among the children.

⁴ In Quebec, a power of attorney for property is called a “mandate given in anticipation of the mandator’s incapacity” or, more commonly, a “living will.”

⁵ In Quebec, this function is carried out by an administrator.

⁶ In Quebec, you may designate a person as a beneficiary of an RRSP, RRIF or financial instrument (GIC or seg funds) other than by will only if it qualifies as an annuity or life insurance policy.

⁷ Less proportionate reductions for withdrawals and any redemption fees, if applicable. The death benefit is 100 per cent until the end of the year the annuitant turns 75; 80 per cent thereafter.

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Trimark Investment Management Inc. manages the investments of Trimark mutual funds and Trimark seg funds. AIG Life Insurance Company of Canada issues the individual variable deferred annuity contracts providing for investment in Trimark seg funds, which have certain death and maturity guarantees. Mutual funds, unlike GICs and segregated funds, have no guarantee as to principal, and unlike GICs, no guarantee of return on investment. With both segregated funds (subject to applicable death and maturity guarantees under the contract) and mutual funds, you invest at your own risk and the value of your investment and its return will fluctuate. A complete description of Trimark seg funds is in their information folder. Important information about Trimark mutual funds is in Trimark's simplified prospectus. Copies of both are available from Trimark and should be read carefully before investing.

