



Important Information About Naming a Beneficiary

If you are married or have a common-law spouse she/he is your primary beneficiary. However, you should name a Secondary Beneficiary or Beneficiaries, in the event that your spouse dies before you or even at the same time (for example, in a car accident.)

If you do not have a spouse you can name anyone as your primary beneficiary. Naming a primary beneficiary means that the money can go straight to him or her, rather than through your estate - thus avoiding potential taxes, expenses, and legal battles. Think carefully about who to name as beneficiary, and be sure to name a secondary (contingent) beneficiary, too - the person who gets the money if the first person you name (primary beneficiary) dies before you or maybe at the same time.

When completing a Beneficiary Designation Form please be as accurate as possible when providing the Name, Birth Date, Social Insurance Number and their relationship to you. All this information is required to ensure your wishes will be carried out accordingly.

When naming more than one beneficiary (either primary or secondary), you can indicate how you want the money to be divided amongst your beneficiaries. Use percentages, such as 50% or 25% (be sure they add up to 100%) or specify that you want the money to be divided evenly among them.

Do not name your minor child/children as your beneficiary, without a contingency plan. Most laws do not allow minor children to control assets, so a court will name a guardian or a trustee to take care of any assets left to a minor child. This may delay release of the assets, at a time when it may be most needed. In most provinces, children cannot take control of assets until they are 18 years old, and this may not be your original intent. You should set up a "Trust Agreement" or designate a "Guardian" yourself. Your lawyer or your financial advisor should be consulted for further information on this important subject.

Don't forget to review your beneficiary designations every once in a while, and especially after major life events like births, deaths, weddings or divorces.