

# Your personal estate plan

Estate planning considerations and  
what to expect from your financial adviser



# Planning your estate

## What's involved and what to expect

Estate planning is an important part of any financial plan. The considerations can be far reaching and it's important you review your arrangements on an ongoing basis, as well as when your life and circumstances change.

None of us like to think about a day when we are not here to provide care and support for our loved ones. Ensuring you have the right arrangements in place in case the unforeseen occurs can bring great peace of mind that your family will be looked after, as you'd like, in the event you pass away.

However, estate planning is about so much more than putting a Will in place as a one-off action. It's also important to think about:

- who would make medical, lifestyle and financial decisions for you if you weren't able to do so yourself, either temporarily or long-term
- any specific needs of your beneficiaries, or desire to provide ongoing care and accommodation
- how the way in which your assets are legally owned impacts your estate plan
- how to provide for each of your beneficiaries in the most tax-effective way
- when you'd like your loved ones to be able to access any inheritance you leave for them
- the impact of changing family circumstances and dynamics on your arrangements, and
- whether life insurance is an important part of ensuring you're able to provide equally for your beneficiaries, and ensure any debt is cleared upon your passing.

Also, any plan you put into place needs to be reviewed and amended over time, particularly as your circumstances change, to ensure it reflects your current wishes.

### Who is involved?

When creating, implementing and updating your estate plan, a number of professional advisers may need to be involved to ensure the right outcomes are achieved and all aspects of your situation are well considered.

Your financial adviser may be able to facilitate joint conversations or liaise with other professionals, such as lawyers and registered tax agents, to ensure the advice you receive from each person suits your overall financial circumstances, as well as aligns to your goals and objectives. There are some important tax and legal considerations when it comes to planning your estate. However, it's also important to have a deep understanding of, and consider the needs of you and your beneficiaries in relation to:

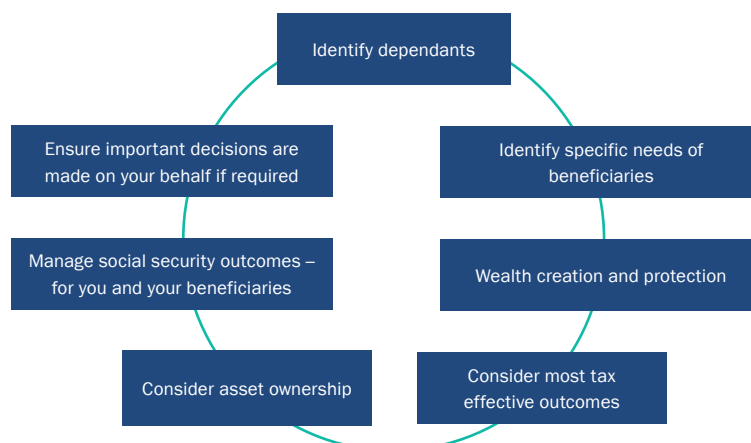
- any potential change in your circumstances, including the possible need to provide care or financial support for dependants, including aging parents, in the future
- superannuation and tax law
- wealth creation strategies
- managing social security impacts, entitlements and eligibility, and

- the aged care system, including fees and rules.

The good news is your financial adviser is able to help guide you through the process and help to make you aware of when you may need the help of another specialist. That way, you can have the peace of mind that the right advice is received from the right person, at the right time. You and your family can focus on the most important thing – enjoying life – with the peace of mind that you have the right arrangements in place.

### What to expect from your financial adviser

When you meet with your financial adviser, they will want to get to know you and what's important to you. They will ask you quite a lot of questions to start to build a picture of you, your family, and other important people in your life. An in-depth understanding of how you currently support your family, as well as getting an idea about any future changes will help to ensure your estate plan suits your needs, and anticipates the future.



# Personal estate planning process

## STEP 1

### Clarify your values and objectives

- Understand what is truly important to you.
- Identify your lifestyle ideals and financial objectives now and in the future.
- Understand who the important people in your life are, and their circumstances (including vulnerable family members and any specific needs).
- Understand who is financially dependent on you now or may need your support in the future.
- Explore your legacy and estate wishes, including any desire to provide an early inheritance.
- Identify your plans and wishes for your children's future.
- Discuss difficult family issues and concerns.

### Who is involved?

- You
- Your financial adviser

## STEP 2

### Formulate your advice strategy

- Consider any existing plans you have in place.
- Consider ownership structure of your assets to ensure your broader estate planning arrangements reflect your wishes.
- Identify the people in your life you trust to carry out your wishes if you can't make decisions for yourself, or you pass away.
- Identify appropriate strategies to help ensure you meet your wealth accumulation goals.
- Identify appropriate strategies to protect you and those you care about in the event of a family illness or death.
- Develop a comprehensive estate plan to help meet your legacy objectives, and consider any support you may provide to certain beneficiaries during your lifetime.

### Who is involved?

- You
- Your financial adviser
- Your solicitor and accountant

## STEP 3

### Present your succession blueprint

- Present you with a Statement of Advice which sets out the recommended strategy to help protect and achieve your life and estate planning objectives.
- Explain how any strategies or options selected will help meet your estate planning goals.
- Explain the impact of changes in your life, the industry and the law on your estate plans.
- Discuss what other professionals you must now seek advice from to implement legal arrangements as appropriate.
- Brief and coordinate discussions with an accountant and/or solicitor.
- Make recommendations relating to the structure of your Will, the need for a Testamentary Trust (if applicable) and Powers of Attorney.

### Who is involved?

- You
- Your financial adviser
- Your solicitor and accountant

## STEP 4

### Implement your advice

- Project manage the facilitation of your plan to ensure other professionals understand your goals and objectives to align your estate plan.
- Manage the implementation of any insurance products and ensure product issuer requirements are met.
- Facilitate changes to or implementation of beneficiary nominations on super and insurance.
- Facilitate a meeting with your solicitor to prepare the appropriate legal documents.
- Inform you and your family of the procedure should anything change for better or for worse.
- Update your Will and Powers of Attorney.
- Draft any other legal documents to support your strategy.

### Who is involved?

- You
- Your financial adviser
- Your solicitor and accountant

## STEP 5

### Ongoing advice

- Continually review your succession plan to determine if any changes will impact the achievement of your life and succession goals including:
  - your Lifestyle
  - your Family
  - legislation
  - products.
- Provide an overview of how your strategy is currently working to fulfil your objectives.
- Present a Record of Advice or Statement of Advice (depending on the complexity of strategy adjustments).
- Discuss where appropriate, the need to revisit legal or tax advice.

### Who is involved?

- You
- Your financial adviser
- Your solicitor and accountant

## STEP 6

### Claims and estate management

- Help you and your family navigate the complex process of claiming your insurance when you need it most.
- Be your point of contact between your advisers, the insurance and superannuation providers and your family.
- Help your beneficiaries navigate the process and understand payment options, and other implications (such as social security, taxation and investment considerations).
- Help you review the appropriateness of your arrangements on an ongoing basis.

### Who is involved?

- You
- Your financial adviser
- Your solicitor and/or accountant (if required)

# How your assets are dealt with when you pass away



Ownership structure	INDIVIDUALLY OWNED ASSETS	JOINT ASSETS	SUPERANNUATION	INSURANCE	TRUST	COMPANY
<b>What happens when you pass away</b>	Assets form part of your estate and are distributed according to your Will, or in line with State intestacy laws if applicable. This also applies to a legal interest in assets owned as 'tenants in common'	Ownership automatically transfers to surviving joint owner(s). You cannot make provision in your Will	Paid direct to your valid nominated beneficiary, your estate and/or payment decided by super trustee	Paid direct to your beneficiaries and/or your estate	Beneficiary loan account may be payable to your estate	Shares may go to your estate, remain in trust or be transferred to other shareholders. A loan account may be payable to your estate
<b>Things to consider</b>	<ul style="list-style-type: none"> <li>Intended beneficiaries and their vulnerability</li> <li>Potential need for and benefit of a testamentary trust</li> <li>Tax implications</li> <li>Assets that form part of estate may be subject to challenge</li> </ul>	<ul style="list-style-type: none"> <li>Do you wish for your ownership interest in an asset to be equally divided between the other owners?</li> <li>Asset will not form part of your estate</li> </ul>	<ul style="list-style-type: none"> <li>Difference between binding and non-binding nominations</li> <li>If no valid binding nomination in place, the super fund decides who to pay proceeds to</li> <li>Only certain beneficiaries can receive superannuation</li> <li>Tax may be payable by certain beneficiaries</li> <li>You may want your super proceeds to form part of a trust</li> </ul>	<ul style="list-style-type: none"> <li>Amount of cover</li> <li>Type of cover</li> <li>Policy ownership</li> <li>Intended beneficiary</li> <li>Benefits and implications of holding policy inside super</li> <li>Taxation of proceeds</li> <li>Policy benefits and features</li> <li>Cost and ongoing cashflow</li> </ul>	<ul style="list-style-type: none"> <li>Do you need to pass control of the trust (are you trustee or appointer)?</li> <li>Is the trust discretionary or fixed?</li> <li>Do you have an unpaid present entitlement?</li> <li>Tax implications</li> </ul>	<ul style="list-style-type: none"> <li>Is there a buy/sell agreement in place?</li> <li>Need for insurance</li> <li>Tax implications of disposal of shares</li> <li>Who should continue to be involved in running of the business?</li> </ul>

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