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# Executor Duties

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What You Need to Know

## About Edward Olkovich

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**Edward Olkovich**

Ed is recognized as a leading Canadian estate expert. He has practised law in his own firm since 1978 and is a Certified Specialist in Trusts and Estates Law.

Ed is also the author of seven books, including *Choosing Executors*, *Breakthrough Estate Planning* and *Estate to the Heart: How to Plan Wills and Estates for Your Loved Ones*.

He is regularly quoted in national publications as an expert in estates and is a frequent guest on television and radio. As a lawyer, Ed advises clients on wills, estates, executors, estate administration, and handles legal challenges to wills.

Ed is a member of the Ontario Law Society of Upper Canada, Ontario Bar Association, American Bar Association, Society of Trust and Estate Practitioners (STEP), Canadian Association of Professional Speakers (CAPS), and National Speakers Association (NSA).

He is the founder of EstateTherapy.com, an online estate planning publisher, and is the Dean of Executor Academy.

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## Executor Duties

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Research has shown most people do not know what an executor does.

If you are an executor, here are the things you need to know.

You need legal advice at the outset to protect yourself. Problems often arise that could easily have been prevented with proper advice.

Hire a lawyer to educate yourself about your executor duties. This will help you stay out of trouble.

Your need to keep records starts once you act as executor. This continues until all beneficiaries, or a judge, approve all your transactions. In some cases, you may need to keep records of time you spent to justify your claims for compensation.

### Executor Duties

Step 1 - Protect estate property - secure and insure it

Step 2 - Probate the will if necessary to sell or transfer assets

Step 3 - Pay bills and distribute the estate to beneficiaries

### Step 1 Protect Estate Property

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In Ontario, executors are also referred to as estate trustees with a will.

Make sure the will you have is valid and is the last one signed. If not, you could be liable to the real beneficiaries. Secure assets by making sure insurance is in place for cars, homes and valuables.

Lawyers need lists of debts and assets, as well as relevant details, for probate and accounts for income tax.

Make sure there are no codicils or questions about the will's validity. Handwritten holographic wills, written entirely in the deceased's own handwriting, can be valid wills in some provinces.

## **Step 2 Probate the Will**

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Probate proves to third parties that a court has validated a will. Until probate is obtained, executors need legal advice to manage estate assets.

Executors hire lawyers to do the legal work. This includes filing court papers to get letters probate. The current term used in Ontario is a Certificate of Appointment.

Probate certifies the persons entitled to benefit under a last will. Assets are valued to calculate probate taxes and income taxes.

Getting up-to-date appraisals of property, investments and any business will take some time.

Check the will to see if you have discretionary and specific powers to sell property and settle claims.

If there is no will, the court must appoint an estate administrator. Usually relatives apply, but this is time consuming and expensive.

## **Step 3 Pay Bills and Distribute**

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Executors must wait until all debts, including income tax, are settled. Normally, you request an estate tax clearance certificate from Ottawa.

In many cases, executors will wish to advertise for creditors. This protects the executor from personal exposure for income tax and other liabilities.

Legal documents called releases are usually signed by beneficiaries entitled to the residue of the estate. This confirms they approve the distribution and executor compensation.

You need a lawyer to prepare legal documents, including the release.

## Summary Tips for Executors

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### **Step One: Protect Estate Property**

1. Review will and contact a lawyer.
2. Confirm funeral arrangements.
3. Take steps to secure estate property.
4. Notify next-of-kin and beneficiaries.
5. Guarantee insurance coverage on valuables.
6. Preserve any business or investments.

### **Step Two: Probate the Will**

7. Prepare an inventory of assets and liabilities.
8. Instruct a lawyer to probate the will.
9. Settle all legal issues.
10. Sell assets to pay bills.

### **Step Three: Pay Bills and Distribute**

11. Pay all liabilities and get tax clearance certificate.
12. Account to the beneficiaries.
13. Have your executor's compensation approved.
14. Get releases signed by all beneficiaries.
15. Distribute the estate assets.

## **YOUR EXECUTOR DUTIES MAKE YOU RESPONSIBLE FOR MISTAKES - WITH SERIOUS CONSEQUENCES**

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Handling an estate is complicated.  
Research proves that people don't know what to do.

That's why you should read ***Executor Kung Fu: Master Any Estate in Three Easy Steps***. In this complete, step-by-step guide, learn how to:

- reduce the stress of being an executor
- take inventory of the estate and distribute assets
- use your powers wisely as executor
- organize yourself to save time and money
- deal with professional advisors,

Complete with sample forms, case studies, checklists, executor tools and summaries **to keep you out of trouble.**

*"Easy to read and use"*

- Milton Zwicker, Lawyer and Author

*"Every executor should read this"*

- Brad Huxtable, Lawyer, Sheldon Huxtable Professional Corporation

**ED OLKOVICH, B. A., LL.B., C.S., TEP**, is a legal specialist and one of Canada's leading estate experts. Ed is a Master of Executor Kung Fu -- the practice of executor self-defense. Learn more at [www.EstateTherapy.com](http://www.EstateTherapy.com).

To order your copy of ***Executor Kung Fu*** or other valuable guides, visit [EstateTherapy.com](http://EstateTherapy.com).

## Reminder

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This report is no substitute for legal advice.

If you are interested in a consultation with Edward Olkovich, contact his office through his web site at [MrWills.com](http://MrWills.com) or by telephone at 416.769.9800 or Toll Free at 1.877.Mr Wills (1.877.679.4557).

### Want more information?

Contact **Edward Olkovich Law Professional Corporation at [MrWills.com](http://MrWills.com)** for a consultation to review your needs.

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