EPISODE 77

The Ins and Outs of Estate Planning: Making the Right Arrangements with the Blunt Bean Counter

[INTRODUCTION]

[0:00:05.3] Benjamin Felix: This is the Rational Reminder Podcast, a weekly reality check on sensible investing and financial decision making for Canadians. We are hosted by me, Benjamin Felix and Cameron Passmore.

Episode 71 today, we had Mark Goodfield who writes *The Bean Counter Blog*. If you've done any research on the internet about investing and tax and how those things relate to each other, you've probably come across *Bean Counter*, he's written a ton of content over the years.

[0:00:29.2] Cameron Passmore: Great content, well organized, well written, a lot of material in there.

[0:00:32.8] BF: He's kind of one of the original old school, sorry Mark, personal finance blogs in Canada like I think he predates *Couch Potato*. I think.

[0:00:41.6] CP: Yeah, he does a full service, full wealth management type service, but he does not do investment management. But he has a ton of experience and today we focused on estate planning, wills. Talking about money with your kids and your parents, avoiding probate fees, making accounts joint, a lot of the common questions we get, you know, daily in our lives.

[0:01:00.3] BF: Yeah, Mark's got some great insights, I think he describes his practice as wealth advisory. But anyway. He's got some great insight just on from his own career and from the types of people that he deals with as clients, he had some on great insight on the relationship between money and success, which I found that part of the discussion to be really interesting.

[0:01:17.2] CP: Yeah, it was a good interview. And you also want to remind listeners to make sure they check out the website.

[0:01:21.7] BF: We should both want to remind them that. If you're listening and you have something to say then it would be awesome if you visited rationalreminder.ca and left a comment on the post for this episode, episode 71. We'd love to hear your thoughts.

[0:01:33.6] CP: Anyways, have a listen to Mark Goodfield, *The Blunt Bean Counter.*

[0:01:37.1] BF: Enjoy the episode.

[INTERVIEW]

[0:01:44.1] BF: Mark, welcome to the rational reminder podcast.

[0:01:47.1] Mark Goodfield: Thank you very much, thanks for having me.

[0:01:49.6] BF: To start off, can you just tell us and our listeners a little bit about your practice?

[0:01:53.9] MG: I am a partner with BDO Canada, LLP which is a national accounting firm and it deals with mid-market, private companies and high net worth individuals. My background is tax specialist and estate planning, but I now use those skills in a wealth of advisory capacity to assist my clients basically, in planning their financial affairs from a current perspective, from estate planning perspective and a financial planning perspective.

I do not however provide investment advice, I leave that to the likes of PWL, but I do oversee the results in like clients and investment managers.

[0:02:25.8] BF: Okay, that's perfect. Then today, we're going to focus a lot of the questions that we have on exactly that preparing your estate and estate planning. In a lot of cases, when we're talking about estate planning, we will see people naming a spouse or a sibling or a child as the executor of their estate in their will. Can you just give us a little bit of insight into what's involved with being an executor, is that a small task?

[0:02:47.0] MG: I'd say no. I personally have been an executor a few times and I've advised numerous executives in my capacity as an accountant for the estates of these people. I can tell you, it's an arduous and stressful task, especially if you're not organized and do not have some financial background.

[0:03:04.9] CP: Yeah, I've been through it a number of times and I'm pretty organized ,but you're absolutely right, it's a asset, requires extreme organization. I've read stats that an enormous number of kinks don't have up to date wills or even have wills. Can you talk about how important it is that you do have them and that they are up to date, including wills and powers of attorney Mark?

[0:03:24.7] MG: I think as you guys know, but maybe your listeners don't know I write a blog called *The Blunt Bean Counter* and one of the blogs I wrote was on people not having a will and the last time I looked was there was – I think it was a 2016 survey by someone called Legal Wills that noted I think 62% of Canadians didn't have wills and 12% were outdated which is just an astronomical number.

In my client base, because I have a lot of corporate clients and high net worth people, I don't see that number as that high, but I still see a really surprising number, the wills and definitely outdated wills which I would assume you guys in your practice see something of a similar nature too.

[0:04:04.6] BF: Does that data include who doesn't have wills, what demographic don't have wills, is there any difference between different segments of the population?

[0:04:11.6] MG: I think it was the younger segment for not preparing wills. I mean, that makes sort of common sense if you think about it. You don't have as many assets here, infallible when you're young, you never think about potentially dying at that age.

[0:04:24.2] BF: So, when you're talking about preparing an estate and getting people's affairs in order and stuff like that. How much messier can it be if someone dies and intestate without a will?

[0:04:32.9] MG: It's a nightmare. When you sit down with a lawyer, you spend a lot of time trying to make sure your wishes are put into that will and suddenly, if you die intestate state, now, I'm not a lawyer so I can't be able to give actual details but you're then under a provincial act that determines how your will is allocated. So, your will may have been for example, my spouse has a really great job so

I'm not really leaving him or her that much money but I want to leave a whole bunch to charity. Well, that's going to go out the window because it's going to fall under the provincial rules.

So to not have a will I think is just a nightmare and I've actually had clients or well, some I wanted to be a client, I just declined it because it was such a mess that the father died without a will and then the mother, despite seeing the mess it caused that the father didn't have a will so we had two estates with no wills. I just said, I can't deal with this.

[0:05:24.1] CP: Unreal. You say it's important to articulate the wishes? How important is it to also articulate the assets in the will?

[0:05:33.5] MG: When you get back to being your first question about an executor. I think one of the most important things, A, is to tell them because surprise doesn't work for executors, it only works for birthday parties. And you need to give them a list or I've created something called an estate organizer where you put down everything you have and you leave in your safety deposit box or somewhere in your site. But letting people know what you have, it's crazy that you get this thing and it just becomes a nightmare.

[0:05:59.9] BF: you mentioned that an estate organizer, is that a tool that people can access online?

[0:06:03.4] MG: If they go actually to my blog, *The Blunt Bean Counter*, if you go to January of 2019, I had two blogs, one on the estate organizer and one how to use it and if you go to those blogs, you can just download it from there.

[0:06:14.5] BF: Okay, that's super cool. Do you have any good stories about people not documenting assets?

[0:06:18.9] MG: Once they have a will, they typically at least have enough in there to sort of be able to find it and if they have an accountant, I have the returns, I think it becomes more for – I can't think of an exact situation where they didn't have it. I think it comes a bit where there's sort of art and jewelry, that specially, that is not documented. From a legal and tax point of view, you really have to deal with this, but a lot of families don't want to deal with that and they sort of just leave it out in the will and that becomes a potentially a huge issue for probate tax.

[0:07:09.0] CP: Can you talk about the probate? So if you do have a bunch of jewelry and other valuable things I perhaps, artwork, tell me what's the best way to draft up something so it's clear to the executor where those assets are to go and what assets like that if any would hit probate?

[0:07:22.7] MG: I'm not a probate specialist. I think they all hit it. Really, when you sit down with an estate lawyer, you're doing their job, basically, you provide a list of those assets because it then becomes important. People don't want to put them down because of the tax, but they then put their executor at risk because probate is incorrect and they're liable for it. And then the whole estate becomes liable for the tax because there's no deemed dispositions of those assets on the tax return.

And then the other thing is, the family squabbling where you could have someone saying, "you got an AY Jackson, I want that one." It's not listed in anybody and the other picture is from childhood school and so who gets the AY Jackson? So, it can create family squabbles too.

[0:08:09.0] BF: Yeah, that makes a lot of sense. Something that we see a lot in our capacity is one spouse in a couple will really take the lead on financial stuff, like they'll take the lead in meetings with us, they'll take the lead on tracking, spending or investments or whatever. What kind of impact can that have or have you seen if that financially literate spouse dies and the other spouse is financially illiterate?

[0:08:32.6] MG: Yeah. I have the same experience. I mean, I think it's a little bit more older school with my clients that are older, but even younger couples, it's really strange but this seems to be as you say, one spouse seems to take control typically and the other ones don't.

So, If the spouse that dies was literate one and illiterate one is still there. You come down to them not understanding how to deal with the assets. I've had spouses, don't even know how to go to bank or pay online or even writes checks.

Let's say the spouse was more of a do it yourself investor, they have nobody to assist them with how to deal with the investments. Obviously, they can hire somebody like you but they're struggling for a long time. They have no idea about renewing mortgages and how to do insurance, so it's a huge issue. And I've talked about where I see these situations to try and increase that spouse's financial literacy and so that an organizer for example, sit down and walk through that organizer with your spouse so everybody, so they know what assets you have if they really aren't aware of it.

Introduce them to people like you, so it's a lot easier if someone passes away and they talk to you and come call you and deal with you rather than somebody you've never talked to at that time. So, you get to know financial adviser, the insurance agent, the accountant, lawyer, have your spouse if they don't really do this stuff, pay some bills. When you get your reports from investments, go over them with them.

Discuss daily financial events. You start to at least give them a little bit of a financial literacy.

[0:10:03.9] BF: Year, that's something that we've actually seen quite a few times where an older couple and you're right. I think this is an issue that's more specific to the older couples, as a generalization, but we've had on several occasions, couples like that come in for the exact reason that you just described where they've identified this as an issue and they want to start that relationship now before anybody's health starts to fail.

[0:10:23.0] MG: I have seen the exact same thing.

[0:10:25.1] CP: We've also seen lately quite a bit of the older clients come in with their adult children to get them involved in the whole process. I assume you've seen the same thing?

[0:10:34.9] MG: Yes, I'm a huge proponent of involving your children. Obviously, every family dynamic is a little different, but it's extent, you get along with your children and your children sort of get along with themselves. I'm a very big proponent of involving them in the process.

[0:10:52.2] BF: How important do you think it is to have that open dialog between parents and adult children about financial matters because I think in a lot of cases, parents will maybe be nervous to talk about or uncomfortable talking about with a kid or maybe the kids are uncomfortable, how important you think that dialog is?

[0:11:07.0] MG: I think this is sort of again, I'm older than you guys but I think it's more hopefully a little bit older than my generation. I think my generation's a little bit better, but old school was don't talk about money. But back to like you had asked before, what were the repercussions. Well, there's for example, you have a cottage and you don't want to talk about the cottage because you're just going to leave it in your will, but you think your daughter Sally is the one who loves the cottage, but Sally really hates it, she's just been coming up to the cottage because you want her to come, you're leaving her the cottage and she doesn't want it.

And I totally understand, people don't necessarily talk about wanting their dollars or everything they have, but you can frame enough discussions in generalities or just in general assets to make sure that people understand what you have and who is going to get it and who should get it and who wants it, things like that.

[0:11:52.0] CP: As people start to prepare their estate plan and they have assets and a variety of different places and different institutions and perhaps some share certificates in a safety deposit box. Can you talk about the kind of advice you give to these people as to how they should arrange these different investments as they prepare this?

So, someone's sitting down to do an estate plan and they're going to have accounts perhaps in a number of different institutions. Can you talk about how people should simplify or should they simplify their investment holdings as part of this process?

[0:12:23.8] MG: Like probably you guys, getting back in general, there is sort of one more sophisticated person in a marriage or whatever, dealing with their assets. And when I sit down with them, sometimes they just consciously or they just come to me and say, "you know what? My estate is really complicated from my spouse and children, they're not as sophisticated as I am." They've seen a messy estate, they know it's a mess so they say, "okay, let's try and sort of simplify this." And it comes down to sort of a couple ways, we sort of can do this sort of as a no cost way or a tax cost way and so by that I mean, for no cost, it's exactly as you said. I have numerous clients and I'm sure you've had numerous come to you that come to you and give you five investment statements.

They're using every possible investment advisor under the sun and that makes no sense. One of the ways to simplify is yes, if you have two or three or four investment advisers, let's make that one or two at most and simplify that so you don't have to deal with that. That's no cost in doing that and that simplifies things.

A lot of my clients have multiple corporations, maybe because we know we're getting to that point where we want to simplify things, amalgamate, dissolve, consolidate or do some things where there's not necessarily tax consequences. I tell clients to open a joint account with a child because god forbid, they die, that they have at least some money in there to pay the funeral expenses now and ongoing expenses for the next couple of months and they don't have to go begging for the bank to get them to give them the money because the bank will a lot of times not allow any money to come out other than maybe for a funeral.

But then there's sort of the tax side where there is some cost to doing it. One thing I see a lot of is a lot of clients were born outside of Canada or invested outside of Canada and they have assets in the country that were – they understand how it works, really speak the language of that country and the kids have no clue. So, we talk about well, maybe it's a good time to sell those assets now while you can get the best value for or not necessarily the best value.

At least you get good value for now because you're not in a rut, no one's in a rush to solve because someone had died. If you understand the language, you understand the way things work in that country, so maybe we sell those assets which create obviously a tax liability early but it simplifies the estate.

Same thing with a lot of people have let's say real estate and partnership, there's only ventures and the partners or the ventures have agreed that with one of them dies, they definitely don't want to deal with the kids and they're going to sell everything. And so, just deal with some of these things now. Now, obviously anytime you kill an asset early, you're prepaying the tax, but I've had a lot of clients who say. You know what? I'm going to pay the tax in five, 10, 15, 20 years anyways. Let me just simplify things for my family and not have to deal with that.

[0:15:09.4] BF: Just anecdotally, have you seen that have a pretty positive impact on people from a psychological perspective when they do that simplification?

[0:15:16.7] MG: Yes, I think they're always worried about how everybody's going to handle these things. I mean, it's a two-edged sword. These people typically are entrepreneurs and investors that want to get the best return for their money and they're saying, "well, I simplify things now, I maybe am giving up some upside to my investment." But especially ones that have ever been through dealing with this state realize what a nightmare it's going to be for their family and so some of them do decide to sell early just to simplify.

[0:15:42.9] BF: That's really interesting. I think you're a little bit unique Mark in that you're – based on reading your blog anyway, you've got great knowledge in tax and estate planning and estate planning and wealth advisory like you call your practice, but you've' also got really good financial knowledge. How do you think people should think about that tradeoff between the financial asset that they own versus and they're obviously there's tax implication and then also the simplification?

[0:16:05.7] MG: I think you almost have to say what do you think the potential return on that investment is that you're giving up versus a simplification. If the return is potentially massive, then I say you know, let's plan towards now, let's make sure one of your executors can deal with that and we're going to bring in somebody to help with that asset.

If it's not in a lot of these places, the upside may not be that huge. So personally, I think it's better to simplify and just make things easier for your family because I just been through as I'm sure you guys have been where somebody dies, it's just the family's grieving, it's – the life's upside down and to have to deal with all these things really hard. And so if you can make their life simpler at that point and not give up too much upside on the investment then I –

[0:16:50.3] CP: You mentioned one of the benefits or one of the ideas you can do to avoid probate is to make your investment account joint with the next generation and can you talk about any tax impact or tax slip impact that has on the two parties going forward?

[0:17:03.2] MG: Again, this is a little bit more of a lawyer thing but there's technically – the issue is I've seen lots of peoples say, "okay, I'm going to suddenly make my bank account joint so I don't have probate." And technically, you're gifting half that account or especially when you're doing it with kids. A lot of people say, "well, you know I'm going to put my principal residence in my children's name."

There's huge implications for that. You've now lost half your principal residence exemption if you've given half of it to your children. If you gifted them shares of [inaudible 00:17: 37] Canada and [inaudible 00:17: 39], you have a deemed disposition on those transfers to them. You have to be really careful and get tax advice and maybe sometimes legal advice on what you're doing because just making something joint, there's a legal ownership and a sort of none legal ownership and if you've technically given up the legal ownership, you have got a disposition.

It's really – there's a lot tax consequences. The long story short, if you're considering doing something joint, get tax and legal advice before you do it.

[0:18:05.8] BF: Can you talk a little bit more about other than the tax implications? There is obviously other implications in terms of giving up legal ownership. Do you advice people to plan around those as well or think about those as well before making an asset joint?

[0:18:17.9] MG: You're a 100% right and that is a really good point. So, let's just say for cottage, a lot of people's cottage has gone up in value and there is always an issue, do they transfer it now to stop the gain or do they just say, "we'll deal with it when I die?" But sometimes the cottage becomes such a huge capital gain and the rest of the family doesn't have enough money that they're forced to sell the cottage. So, people want to deal with it now so they can keep the cottage in the family.

But if I transfer the cottage to my children and I first of all have that deemed disposition as we talked about, which causes tax, but now you have to start thinking about, "okay, but if I transfer to them, it's their cottage." So, you have to make sure that you have a proper legal document that gives you the right of use of that cottage because you don't want your kids to get into a fight with you one day and kick you out of your cottage. You're right a 100%.

There is so many issues that you have to be really careful with when you transfer and a lot of families just work on trust. "Well, I am going to transfer these shares to you," and even if they understand the deemed disposition really, it's "well, those other half are my shares and my cash and then you will give it to me if I need it," that doesn't necessarily always happen.

[0:19:20.6] BF: Something that we've grappled with a ton just on this idea of giving an inheritance before death. When parents don't do that and an adult child doesn't legally own the asset, what are your thoughts on the adult child using the expected inheritance in their own financial planning because it can have big implications like if an adult child is expecting a million dollar inheritance they might save less and spend more, how do you tell people to think about that?

[0:19:42.6] MG: It is such a controversial issue. When I write about it, I get some comments from the parents, "it's disgusting my kids are planning on me dying." And from the kids, "I love my parents not their money. You know inheritance should be a win-fall and not a plan." Blah-blah-blah-blah. There is so many different opinions on that but I guess being practical and blunt, I think it is sort of nonsensical to totally ignore this.

So, I look at this as sort of a known inheritance and a presumed inheritance. So, by that I mean going back to what we discussed, the parent is actually been actually one of those parents that discussed with you that you are going to inherit this amount and so you know you are getting an inheritance and if that parent is very – they are in very good shape financially you know whatever they have is going to cover up way more than the inheritance, I think it is nonsensical enough to consider some portion of that to be inherited, even if you discount it down.

Because you are in the will, even told you're in the will, anything can always happen and you can get kicked out of the will, but to be honest I have never seen it. In the cases I have seen where parents have talked to the children about being in the will, they have all received what they thought they are going to get or even more. So, I know people say you never plan for it, but I think if it is known and you know the quantum pretty much and you know the age of your parents. I think you should plan at least some of it.

The other is what I call presumed is maybe your parents haven't talked to you about it, but you see your parents live a meager lifestyle. They live on their social security and their pension and they have a cottage that they bought for 50,000 that's now worth a million and a half. And they have a house that they bought for 200 that is worth two million, at the end of the day you know you are getting something.

And those presume you are not 100% sure that it is there. So, I am not sure if you should really deal with that but again, the reality is you are probably getting something there. So, I am in the camp that I think it is nonsensical to pretend you are not getting when you know you are getting it, but you got to be very careful in how you think about it.

[0:21:40.3] BF: I think in the situation you just described where you know there is something there, but you haven't talked to your parents about it so you don't really know if you're getting it. We have seen that quite a few times and it is really tricky because someone goes and does a financial plan with us or with whoever and they realize, "geez, if I am going to get this inheritance it is going to materially change my expected outcome." But then they don't want to go talk to their parents and say, "hey, am I getting the cottage or am I getting whatever?"

[0:22:03.6] MG: We come back to what we talked about before. In my opinion the parent probably should at least give the child some knowledge of it. Again, they only think of quantum and exact things, but I think they should discuss this with the child. And look, I have told children this is your call and it is a personal issue but maybe just talk generalities with your parents on what is happening. "So, I can do my planning, but you don't have to tell me, but if you are willing to tell me it would really help."

I think people are way too uptight about talking about money. And again, I am not saying you have to give exact details of what it's worth and everything you own but you can talk around it enough that it can help other people. And I have lots of clients that do talk in actual dollars to their children and what they are getting and involve their children in what they're getting and I understand that is not for everybody. But I think we have way too big heads when talking about money.

[0:22:54.9] BF: Yeah, I totally agree. The openness is huge in both sides.

[0:22:57.3] CP: Especially huge if you like you said, if someone decides to kick one of their kids out of their will, you end up with some sort of unequal distribution of the estate and we've seen that before, examples like let's say I've got two kids and Ben is doing very well. He doesn't need as much as

Cameron. He needs more, but they haven't talked about it with their kids. So, have you seen in your days as a professional, unequal distributions like that and what sort of impact happens downstream?

[0:23:22.3] MG: It's funny you say downstream because I look at that as sort of vertical and horizontal. Vertical being the parents leaving money and having decisions that affect their children, but they don't deal with the horizontal part where it is the children that they got to have the live with themselves after and as everybody knows, everybody's family has their own little sibling rivalry, past jealousies and relationships that don't always work good.

So, I think the parents really have to think about that and look, if you have a black sheep child or something different that you have some issues, but if everybody gets along in a family, I think the parents, they'll at least potentially talk to the children about that. I think if you have a very – a couple of children who are very successful and one that is not. Not that that one is not it's just been lazy and done nothing, but they worked really hard, they just happen to be not successful, I don't see a huge problem with giving them a little bit more.

But I think the parents should probably talk to the other two children saying, "you know I love you just like your other siblings, but I am doing this because as you know they haven't done as well as you have and it's not slight on you, but realistically you don't really need the money that badly and they do." Something like that.

[0:24:25.8] BF: I really like that framework for thinking about it where the parents have to think vertically meaning the money going from the parents down to the kids, but they also have to think horizontally, meaning how the money is going to affect the kids that are all in the same next level. That is a really good visual to think about that.

[0:24:41.2] MG: Yeah and the other thing is even how you leave it. You really have to think about that too because what I have seen for sure is parents let's say even if they are being equal. Let's say we got a business worth a million and they have two million dollars of GIC's and they leave the business with a million to one child and a million dollars in GIC's to the other child.

So, if we are sitting here right now, we say, "wow that's great. They have fully equally given everybody the same thing and everybody is equal." But I have seen where that business the child that didn't take over the business really made it ramp up and it's worth 12 million and now, they got a business worth 12 million and two siblings have a million dollars in GIC's and there is huge issues and jealousy there.

Then I've seen the flip side where the children who got the business either screwed up the business or the business just hit hard times and went down. Now they got something worth nothing and they took a million dollars, so even sometimes when you do things equally, you got to really think about how you are doing it and potential ramifications of how you split it.

[0:25:37.4] BF: We talked at the onset about what's involved in being an executor only basically left it, it is a big task. Now you can hire an executor. So, when do you think there's a case where hiring a corporate executor can make sense?

[0:25:49.2] MG: I think where there's no financial acumen within the family. There is no is desire for any of them to be an executor or you don't think they'd be strong executors where the family is a little dysfunctional and you know there is going to be in-fighting, by having a corporate executor, you get some of the subjective, unemotional approach without all of the family theatrics. They have knowledge on what they are doing, makes life easier for the beneficiaries.

The ease of administration is easy, cases like that I think it makes some sense. Corporate executors have a fairly stiff rate. They can be negotiated but there is some cost to doing it where sometimes if you have to do it within the family there's basically no cost.

[0:26:29.3] BF: You wrote a couple of really good posts on the relationship between money and success, can you talk a little bit about how you think about that relationship?

[0:26:39.3] MG: In my opinion, money and success are not necessarily one and the same. But with that being said, I think to acknowledge there is also a thread that closely connects success and money in many circumstances, such that the distinction is blurred. What I have written on this, I have broken it in to sort of five categories being family, career, health, spiritualism and sort of the impact on society. Do you want me to go into those?

[0:27:04.3] BF: If you can touch on it that would be great.

[0:27:06.2] MG: When it comes to family, clearly their love affection and getting along is a success not money. Nonetheless, we probably have no families that are torn apart because they don't have money and often when they have too much money and they're torn apart. So, although I don't think money is success when you are dealing with a family, it is somehow seeps to family fabric often where there is issues because of that.

From a career perspective, I think if we're probably honest with ourselves, our career success often leads to money and thus it is one aspect where people equate money and success. For some people, yeah the job maybe the key and they love their job, but money is secondary but I think for the majority of people that is not necessarily the case. And with you and me are chatting and we're out having a drink, we are talking about someone, half the time first topic we start talking about is their job. And how much do you think they make?

John is a lawyer, he must be successful. So, I think in the case of career, money is success is really tied together and successful people seem to make money and attract money. So, I think there is that sort of intertwining.

I looked at it from a health perspective I think it is probably for money or your health may be not as good as it could be because of the stress, but you can also have a lot of stress because you really don't have enough money for a health perspective. You can argue with money you can actually buy you health to some extent because you can go to the US or somewhere in the world if you have a lot of money and try to hopefully save yourself that maybe an average person can't.

But in my blog I have a quote and it was by Bob Marley and on his death bed he told his son Ziggy, that, "money can't buy you life." And I thought that was a bit of a great quote. You know I don't want to get too deep here but with spirituality point of view I think money means nothing.

But I have noted in my blog it is somewhat ironic that from spirituality money means nothing, but it is ironic that when you are looking to build the additions of the synagogue or mosque, the first line of attack are parishioners with money. I don't know, money just seems to seep in anywhere.

And the last impact in society, there is a lot of people will tell you that what really matters is giving of yourself and doing things for altruism and the people that just give their money that is not the same. But on the other hand, without those people giving the money you don't get the hospitals or whatever. So, there is a little bit of success with money tied together there. So, it is a complex topic obviously and it seeps into each other but that's my view.

[0:29:36.1] BF: Yeah, I know it is really interesting and it is something that through a lot of your writing comes out. I mean we talk about simplicity, but the types of ideas you're talking about just now it comes out in a lot of that not just the ones that you write specifically about success and money, but this kind of thinking comes out in a lot of your writing which I find really interesting.

[0:29:51.6] CP: So how do you Mark then define success in your own life?

[0:29:54.3] MG: That is an awesome and deep question and for sure the hardest one you have to actually post today. I am not sure I have a singular definition of success or my lack of it. I think you will be built on the components I just sort of discussed. For me I think I have both four or five things I look at, I do go back to family. I have been married for 32 years, which I consider a success, brought up a couple of children who are educated, self-sufficient, good values so that is success.

One that is unique to me but really important that my father died really young, in his 50's and that death impacted me in the sense that I always wanted to try and live my life to the fullest. Not that I necessarily thought I was going to die in my early 50's, but it made me realize that you never know what the heck is going to happen and that you should do as many things as you want. And I actually created a bucket list a long time ago and I have done a lot of those things.

I have gone on safaris and golfing in Ireland and Pebble Beach because I am a golfer. I wrote a book, which is one thing I wanted to do. I have done a lot of smaller ones and I wanted to go to Wrigley Field I went there, I wanted to learn how to play guitar which I attempted and failed but at least tried. Ended up with tennis elbow somehow. That one for me was really important.

I go back to sort of career is obviously important for success. I personally I started off with a two partner firm with no clients and the partner's wife and my wife are both on maternity leave at that time and we had no money coming in from them where we had no clients and to grow a firm from that point was in my mind we considered it success. We leveraged that success where we merged a larger firm and I became a managing partner and then threw that firm which was somewhat of a success and merged to BDO where I am now and I consider that part of my life for success.

Then the other sort of thing – for me, I think maybe you guys will have something like this if you ever thought about it, which is a bit unique is I think success is also for me being able not to be jealous and envious of wealth and why I say that and why you guys may be sympathetic to this one is that we see so much significant wealth around us with our clients and probably our contacts.

One of the things I've always tried to be is happy with what I not had not be jealous of that and just consider myself lucky for what I do have. Sometimes when you see the money thrown around by your clients and how much they have, it's sometimes hard but I try to sort of say, "okay, they've been lacking word for it and good for them but I'm not going to be sort of jealous and envious of that." So that's sort of a weird one for me. I sort of have the same feeling but I've had that one.

Personally, I think it's also important to sort of give back to society, I've been a Big Brother and a Make a Wish Granter and done some other charitable things, so, that's what I consider sort of success. And I've just been some other things that probably didn't have success. I'm very impatient and I wish I was more patient, I've tried for years to be more patient, I can't be.

One of the other things is that again, sort of you guys that we sort of see because we're in the financial business, sometimes I sort of really kick myself than I probably should have been a better successful investor, not necessarily in equities and outside seeing business opportunities or different things or whatever but that's sort of where I probably haven't been really successful. But I've probably gone on way more than you wanted but to me, all those factors factor in and I'm fairly happy that I'm in somewhat successful.

[0:33:17.4] BF: Those are really good insights from someone who has built a practice and sold it, but also someone who has spent a lot of time with wealthy families which like you described, it gives us a lot of time to think about a lot of those questions and it kind of comes back to that relationship between how you define success and how that relates to money.

Mark, this has been fantastic, it was great to talk about estate planning, sort of from the professional perspective, but I think one of the most interesting estate planning tips that I took away from this was the idea of making a bucket list early on in life as opposed to waiting until you're getting closer to being dead.

[0:33:50.4] MG: It's worth it anyways. It just at least gives you something to strive for.

[0:33:53.7] CP: Thanks for joining us Mark very much, it was a great pleasure and thanks to everyone for listening.

[0:33:57.7] MG: Thank you very much.

[END]