

Nexus Notes

October 2025

Vol. 30, No. 3

Featuring:

From The Editor

Smart Money Moves
for the Next Generation
of Investors

Income vs. Capital

Smart Ways to Pass
on Your Wealth to the
Next Generation

Considerations for
Executors



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Our market-resilient investment strategy focuses on long-term results, providing investors with peace of mind through all stages of life.

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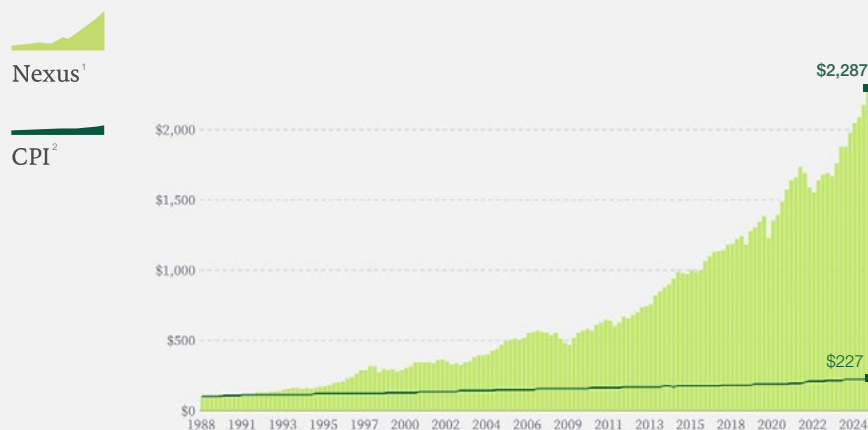
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Building Value for Clients

Since its establishment in 1988, Nexus has pursued an investment approach which concentrates on real growth in client wealth over the long term.

The chart illustrates the impact of this long-term investment thinking – a \$100 investment in a balanced portfolio in 1989 has grown to \$2,287 as at September 30, 2025.

\$100 Investment with Nexus in 1989



¹ "Nexus" reflects the performance of a composite of Nexus accounts managed to a balanced mandate (until September 30, 1997) and the Nexus North American Balanced Fund (thereafter). Returns shown prior to the deduction of investment management fees.

² CPI is the "all-items" Consumer Price Index for Canada, not seasonally adjusted.

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Simplicity: The Unsung Hero

This edition of *Nexus Notes* welcomes a guest author to our *From the Editor* section. **Devin Crago, VP & Portfolio Manager**, shares an insightful piece on the rise of alternative investments and the enduring strength of simple, disciplined strategies. The following article highlights the power of simplicity in an increasingly complex investment landscape.

Alternative investments, or “private assets”, like private equity, hedge funds, real estate, and infrastructure, have gained in popularity among institutional investors and are increasingly being marketed to individual investors. This trend shifted into high gear in October when President Trump issued an executive order aimed at expanding access to these types of investments by allowing Americans to include private assets in their 401(k) retirement plans.

Alternatives are often promoted for their potential to diversify portfolios and enhance returns. However, as with all things in investing, there are trade-offs. The potential benefits come with some real risks.

Let's start with the positives.

Alternatives often behave differently from traditional stocks and bonds, which can help smooth out portfolio volatility. For example, private assets are priced less frequently, which can make returns appear more stable. They also offer exposure to niche strategies and markets, such as early-stage companies or specialised real estate, that aren't accessible through public exchanges. Furthermore, more companies are opting to remain private to avoid the demands of public reporting and compliance. To get access to them virtually requires one to invest in private markets.

In some cases, alternatives can act as a hedge against inflation, since real assets like commodities and infrastructure tend to hold their value when prices rise.

But these potential benefits come with important caveats.

First and foremost is liquidity, which is all about how quickly and easily you can turn an asset into cash without losing its value. Stocks, for instance, can usually be sold for cash in a day, and with little transaction cost, whereas many alternative investments

might lock up your money for years. If you suddenly need your cash, getting it isn't always possible. For most individual investors, liquidity isn't just a nice-to-have feature, but rather, a critical requirement of their portfolio. Liquidity is something we believe many individual investors don't ascribe enough value to. Liquidity gives you the flexibility to adapt to changing circumstances in life.

While liquidity risk is frequently discussed as a hypothetical drawback of alternative investments, the events of 2025 have proven it can be an all-too-real hazard. In Canada, several high-profile private real estate and loan funds had to limit investor redemptions this year after too many people tried to withdraw their money at once. Few investors welcome being “gated” and unable to access their funds. Nexus has had more than one client “trapped” in a competitor's fund. One such client asked for their investment to be redeemed in June of 2022. They are still waiting.

To be fair, there have been some financial innovations to try to deal with this liquidity challenge in private assets (so-called “evergreen funds” that offer investors the option for periodic redemptions, say quarterly or annually). While these structures have improved liquidity compared to what existed before, they don't fundamentally solve the problem: underlying private assets, such as office buildings or an equity stake in a start-up company, are often inherently difficult to sell quickly.

Second, there's the issue of cost. Alternatives often come with substantial management and performance fees, which can significantly detract from overall returns. Although there is potential for enhanced returns, it is important to weigh this possibility against the certainty of higher costs.

Third is the concern that the promise of higher returns is not guaranteed. Historically, investing in the best hedge funds has been essential for achieving strong returns, since most of the returns have been produced by an elite group. One study concludes that the top 20 hedge fund managers have generated about 44% of all gains in the hedge fund industry since 1969¹. However, gaining access to those top-tier fund managers remains a significant challenge for the average investor (they're often closed to most investors), even though it is widely recognised as a crucial element of success. Everyone wants to be in the VIP section, but only a few ever get past the velvet rope.

A final consideration is complexity. Many alternative strategies are difficult to understand, lack transparency, and require extensive due diligence. It's hard enough for institutional investors to grapple with these issues, and the likelihood of success is even lower for individual investors.

This brings us to a broader point about complexity in investing. The financial industry has a tendency to make things complicated – because complexity sells. Investment providers can justify higher fees for intricate products, and investors themselves often fall for the idea that a complex problem like investing must require a complex solution. Behavioural finance tells us that people often equate sophistication with effectiveness. But these are two different things, and choosing the most complex solution doesn't necessarily yield the best results.

In contrast, simple strategies executed well can be highly effective. For starters, they tend to be more tax-efficient due to reduced turnover. They also incur lower management fees and transaction costs over time. Nexus explored this issue in depth in our white paper called *“In Search of Simplicity: In investing, does complex really mean better?”*² which makes a compelling case for simplicity, showing that a well-constructed balanced fund with just a few core asset classes can deliver strong returns with lower risk. The analysis works through the numbers to conclude that, over the period covered in the white paper, the Nexus Balanced Fund outperformed more complex institutional-style portfolios, even those with significant allocations to alternatives.

So, while alternative investments may have a place in some portfolios, especially for those with high risk tolerance, long investment horizons, and little need for liquidity, they are not a panacea. For most investors, simplicity offers a more reliable path to long-term success. Successful investing is not about chasing the latest trend or assembling a portfolio with a dozen asset classes. It's about understanding your goals, developing a plan, applying a disciplined investment process, and staying the course.

Devin

Devin Crago, CFA
VP & Portfolio Manager



¹ <https://hedgefundalpha.com/news/great-money-managers-of-2024-1ch-investments/>

² <https://nexusinvestments.com/insight/in-search-of-simplicity/>



In July, we hosted an event for the next generation of Nexus investors. The purpose of the event was to start the conversation about money, provide an opportunity to network, ask questions, and yes, there was also wine tasting!

Our 'NexGen' event was hosted by our next generation of Nexus Wealth Managers and Planners, all of whom did an excellent job answering questions and engaging the audience. This blog highlights some of the topics we discussed and offers suggested reading for those who want a deeper dive!

At Nexus, we believe that it's never too early to invest and plan. Why? Because early action can lead to long-term financial flexibility. As you begin your financial journey, here are three essential principles to commit to memory:

- 1. Spend less than you earn:** Living within your means is key to financial stability.
- 2. Invest early:** Make time your ally to capitalize on the power of compounding.

3. Pay attention to income tax:

Knowing how tax impacts you can help you keep more of what you earn.

Many people delay investing because they feel they don't have enough to start. The reality is, you don't need a large sum to begin – consistency matters far more than size. Even small, regular contributions into a savings or investment account can grow substantially over time. The key is to build the habit now so that when your income increases, you're already in the rhythm of saving and investing.

Budgeting Basics: The 50/30/20 Rule

Living within your means = spending less than your take-home pay¹, according

Start Early:

Smart Money Moves for the Next Generation of Investors



by Dianne C. White,
CPA, CA, CFP, TEP

to *Wealthening Like Rabbits*. The path to success here is creating a realistic budget and sticking to it. Budgeting helps you control where you spend your money. The 50/30/20 rule is a simple and effective budgeting guideline that helps manage where to allocate your income:

50%: The Essentials. This portion of your income goes towards essential or fixed expenses; things like rent or mortgage payments, transportation, groceries, and utilities (electricity, internet, heating).

30%: The Non-Essentials. Spend this amount on dining out, travel, or entertainment.

20%: Savings. Start with your emergency fund and then invest in accounts like TFSA's, FHSAs, or RRSPs.

Tip: Automate savings and “pay yourself first”², suggests *The Wealthy Barber*, so you don’t forget or overspend in other areas.

Warning: Credit cards can be your enemy, with their ultra-high interest rates (20% on average). Collect travel points by using a credit card for purchases but pay off the full amount each month.

One of the most common budgeting mistakes is underestimating irregular expenses. Annual costs like insurance premiums, holiday gifts, or car maintenance can catch you off guard if they aren’t part of your budget plan. A smart approach is to set aside a small amount each month into a separate “future expenses” fund so these costs don’t derail your savings goals when they arrive.

The Power of Time and Compounding

Start investing early – even small amounts – as this can yield significant returns over time thanks to the effect of compounding. If you save \$500 per month at age 25 and earn 7% per year you will have about \$1,312,000 by the time you are 65. Delay savings until age 35 and you will only have \$610,000 in savings. That’s a meaningful gap! Start early and stick to it.

You may be thinking, “Well, that’s easy for you to say!” Yes, investing can feel overwhelming. So, here are some first steps to get started:

- 1. Setting your goals for your savings:** What are you investing for and when will you need the money?
- 2. Choose the right investment account:** Tax-Free Savings Account (TFSA), First Homebuyer’s Savings Account (FHSA), Registered Retirement Savings Plan (RRSP), or a non-registered savings account.
- 3. Pick your investments:** The investments should align with your goals and risk tolerance.³ Consider a mix of stocks, bonds and cash.

Compounding works best when you give it decades to operate, but it also benefits

from minimizing unnecessary withdrawals. Dipping into your investments for short-term wants can drastically reduce long-term gains, as you’re not just losing the money withdrawn, but also all the potential growth it would have generated. Protect your investment accounts by treating them as untouchable until you’ve reached your planned goal.

Don’t Forget Tax Strategy

Income tax will be your biggest expense over the course of your lifetime. That’s why it’s important to use tax deductions and credits wisely. To do this effectively, you need to understand what tax bracket you’re in now, and what tax bracket you’re likely to be in in the future. Canada has a graduated tax system, which means the more you earn, the more you pay in tax. The highest tax bracket in Ontario is 53.53% and kicks in at about \$250,000 in gross income. Taking advantage of certain tax-preferred accounts will help your savings grow faster; when your investments grow tax-free or tax-deferred, you keep more of your returns working for you. Understanding how each of the below accounts works and what they are for is important:

TFSAs let investments grow and be withdrawn tax-free, but contributions are not tax deductible.

RRSPs are used for retirement savings; contributions are tax-deductible, and growth is tax-deferred until withdrawal.

FHSAs help you save for your first home; investments grow tax-free, and contributions are tax deductible.

Tip: Delay claiming the deduction for RRSPs and FHSAs in your low-income earning years and save the tax deduction for when you’re in a higher income tax bracket. Many people don’t realize you can do this, because most tax software automatically applies the deduction once you enter your contribution amounts. On the tax form where RRSP contributions are reported, you can simply enter \$0 as the deduction amount to claim (allowing you to carry it forward to a future year).



A good tax strategy isn’t something you revisit only at year-end – it’s a year-round process. By reviewing your contributions, deductions, and income regularly, you can adjust your plan before it’s too late to benefit. Small moves, like timing capital gains or charitable donations strategically, can result in significant tax savings over the long run.

Whether you’re just starting out or looking to sharpen your strategy, now is a good time to take control of your financial future – it’s never too early. Connect with your Nexus Wealth Manager or check out one of these recommended books to keep learning!

Recommended Reading

The Wealthy Barber

by David Chilton

The Psychology of Money

by Morgan Housel

The Little Book That Beats the Market

by Joel Greenblatt

Wealthier Like Rabbits

by Robert Brown

¹ <https://www.wealthierlikerabbits.com/>
² https://en.wikipedia.org/wiki/The_Wealthy_Barber
³ <https://medium.com/emily-c-h-li/the-little-book-that-still-beat-the-market-book-review-joel-greenblatt-80767f001c01>

For Those in Peril on the Sea: Income vs. Capital

When it comes to investing, a blinkered focus on income, especially when animated by a requirement to generate an unnaturally high level of income, can lead the investor into troubled waters. But why?



by
R. Denys Calvin, CFA

After all, interest and dividend payments are generally less volatile than the prices of the securities from which those income streams are derived. So, doesn't that mean investing for income is "safe", or even "prudent", compared to investing for growth? Surely, I am being responsible as long as my portfolio generates enough income to cover my spending, and I'm not "dipping into capital". Alas, it's not that cut and dried.

Background

The distinction between "income" and "capital" has deep roots in trust and common law. Wills are often structured

to split an estate between two groups of beneficiaries: so-called "income beneficiaries" (typically the deceased's spouse), who are entitled to the income earned by the estate for a certain period of time (typically till such a beneficiary's death); and so-called "remaindermen" (typically the deceased's children), who are entitled to the estate's remaining capital after the income beneficiaries have been looked after. It shouldn't surprise you to learn there is no small amount of effort expended in the estate world to keep track of which dollars are "income" and which are "capital".

As a consequence of this long history, the income-vs-capital paradigm has morphed

and migrated elsewhere, including into the worlds of personal finance and investment management. In the personal finance realm it can be as benign as “live within your means” or “don’t spend more than you earn” by restricting your lifestyle spending to that which can be met out of salary or employment earnings (to say nothing of spending *less* so you can *add* to your savings), and “preserve your capital so it can grow over the long-term”. More succinct is the expression “don’t encroach on capital”.

However, when this distinction between income and capital seeps into the investment realm and seeks to control how a portfolio is structured and invested, it can easily become problematic. It becomes so because of the potential pressure for a portfolio to be invested in such a way as to generate some target or minimum level of investment “income”.

But what is income?

This begs a seemingly simple question: what is meant by income? The answer is not so simple. Is it just interest and dividends? Or does it mean income for tax purposes, which would include interest, dividends and half of realized capital gains (i.e., the portion subject to tax)? What about the other, non-taxable half of capital gains? What about returns of capital that can form part of the periodic distribution of cash to investors? Though they have the patina of income, returns of capital aren’t included in taxable income. If they are to be included, then what about unusual, one-time lump-sum returns of capital? What about a corporate reorganization that results in a spin-out of shares in a subsidiary of an existing portfolio holding? Do the received shares in such a “spinco” represent income always, never, or only if the spin-out is a taxable event? You begin to appreciate that deciding what’s income rather than capital can become as tortured as searching for the illusory line between what’s a vegetable and what’s a fruit.

This definitional conundrum completely ignores the not-small matter of regular share buybacks. As we have written previously, there are plenty of profitable businesses that return their surplus cashflow to shareholders¹ through regular open-market share repurchases in *addition* to regular dividends. The cash

so distributed, however, only lands in the hands of those shareholders who tender their shares to such buyback programmes. But shareholders who do not tender benefit indirectly because, following the buyback, they own a slightly larger proportion of the business. Should this form of distribution get factored into the analysis? If so, how?

Troubled Waters

But these challenges are just the beginning. Because capital gains are taxed more gently than interest and dividends (whether Canadian or foreign), skewing a portfolio’s mix of returns away from growth and more heavily towards current income comes at a cost to the investor: a higher tax bill, both in the near term (as income taxes on current income must be paid at least annually) as well as over the lifetime of the portfolio. To put it in nautical terms, we’re now running against a stronger tide.

As if the higher tax bill isn’t enough, distorting a portfolio to hit an “unnaturally” high income traps the portfolio manager between competing interests. If forced to avoid non-dividend-paying stocks altogether, skew a bond portfolio in favour of high yield or high coupon bonds, or over-indulge in equities with high dividend yields, the manager inevitably risks sacrificing some potential growth in exchange for current income. This pits the interests of the income beneficiary(ies) against those of the capital beneficiary(ies). Portfolio managers (and trustees) with responsibilities to both types of beneficiaries can all too easily find themselves drifting into the shoals of conflicting fiduciary duties.

But this isn’t the biggest problem. Rather, there is the very real potential that a portfolio structured to “reach for income”, and whose value is consequently (and precariously) dependent on that high current income, suffers a devastating drop in value if there is a “break” in the income stream. The experience with BCE over the last 12 months is instructive in this regard. A stock that was worth nearly \$47 a year ago, when it was paying dividends that totalled nearly \$4 a year, has since collapsed more than 35% in value AND cut its dividend by more than 55% to \$1.75. BCE is merely an apt recent example. The anticipated “safety” of focusing on income has led investors to founder on the rocks.

Safer Seas

Rather than be slave to the income-vs-capital distinction, a more productive approach is for the portfolio manager to strive for attractive *total* returns, without particular regard to whether those returns come from (i) regular income like interest and dividends or (ii) investments that offer appealing prospective price growth. If the resulting portfolio can achieve a long-run total return of, say, 6% to 7% annually, the holder who withdraws only 3% to 4% ought to be able to do so confidently for decades. The portfolio manager is able to fund such withdrawals first out of cash from accumulated investment income, and second from the proceeds of appropriate and selective trims of the portfolio’s holdings. With this approach, withdrawals are met while leaving the portfolio at least as well invested and diversified as before. There is no mental “tug of war” between needing to sell a security to fund a withdrawal versus wanting to hold onto it because of its high dividend yield.

Moreover, and most importantly, this approach puts dividends (and stock buyback programmes²) in their proper place as a tool of investment decision-making: as an indication of management’s dedication to delivering returns to shareholders, a signal of management’s confidence in the sustainability of the business’s profitability and cashflow, and a discipline on management’s allocation of capital. Indeed, there is persuasive evidence³ that a focus on dividend *growth*, not on a particular *level* or *rate* of dividend income, results in portfolios that achieve not only higher long-term returns, but also returns that are less volatile than, and less correlated with, those of the equity market generally.

By taking this approach to the role of income, a portfolio review is less likely to be accompanied by the funeral hymn alluded to in the title above.

¹ <https://nexusinvestments.com/insight/an-effort-that-pays-dividends-and-more/80767f001c01>

² https://en.wikipedia.org/wiki/Share_repurchase

³ <https://www.hartfordfunds.com/dam/en/docs/pub/whitepapers/WP106.pdf#page=6>

The Hand-Off: Smart Ways to Pass on Your Wealth to the Next Generation



by Kathleen Peace, CFA, CFP

Over the years, we've helped many clients navigate the wealth planning process. What often feels like the finish line - a completed wealth plan - is just the starting point for the next phase of planning. With a solid foundation in place, the focus shifts to an equally important question: How will your wealth be effectively and efficiently passed on to the next generation?

More Than Just a Will

You might hear terms like *estate planning*, *wealth transfer*, or *leaving a legacy*. All these point to the same idea: **intergenerational wealth transfer**, or, the thoughtful process of passing your assets to future generations. This can be simple or complex, depending on the value and location of your assets, and importantly, your family's unique dynamics.

Planning for wealth transfer goes far beyond signing a will. It means:

- **Understanding your family's full financial picture, both today and tomorrow.** Your wealth plan gives you the clarity to start these conversations.



- **Being intentional about reducing taxes and probate fees upon death.**
- **Making your wishes unmistakably clear.** This includes legal documentation and open communication with your loved ones.

In the sections below, we'll walk through several key tools, like trusts, joint ownership, and giving during your lifetime, that can help ensure your wealth is transferred smoothly, tax-effectively, and according to your wishes. There's no one-size-fits-all approach; your plan should reflect your specific needs, values, and family dynamics. Ultimately, the right solutions come from thoughtful planning and collaboration with trusted legal and tax professionals.

Trusts: The Multi-Purpose Tool

Think of a trust as a financial vessel that comes with clear instructions for how its assets should be used and by whom. It starts with a **settlor**, who places assets into the trust. The **trustee** then takes over, managing the assets according to the rules laid out in the trust¹, always acting in the best interests of the **beneficiaries**, the people the trust's assets are intended to support. **See Figure A.**

This structure offers flexibility and control: you decide when, how, and to whom your assets are distributed. Trusts can also help to bypass probate, reduce tax, and ensure

your wishes are carried out with precision. Here are a few more things a trust can help you do:

- Hold property for minors.
- Manage assets and income for loved ones with disabilities², addictions, or diminished capacity.
- Reduce your family's tax burden by shifting income to beneficiaries in lower tax brackets.
- Ensure certain assets go to a new spouse in a second marriage without risk of a claim from a previous marriage.

These are just a few examples; trusts can do much more. There are many types, each tailored to a specific purpose. That said, trusts come with cost and complexity: setting one up involves legal and advisory fees, and ongoing responsibilities like annual tax filings.

Bottom line: Trusts can be useful tools, but they're not one-size-fits-all. It's worth weighing the benefits against the costs to see if a trust makes sense for your situation.

Joint Ownership: A Handy Tool When Used Wisely

Why it Can Work

- **Cost Savings:** Assets pass directly to the surviving joint owner, bypassing the will and probate process, which

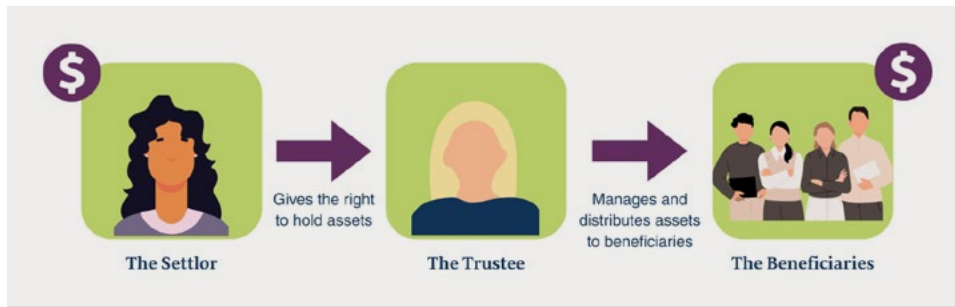


Figure A.

helps you avoid probate fees³. In Ontario, probate fees are \$0 on the first \$50,000 of an estate's value, and then 1.5% on the gross value exceeding \$50,000.

- **Simple & Speedy:** Especially useful for spouses sharing bank accounts or real estate.
- **Quick Access:** Enables the surviving owner to access funds or property with minimal delay.

Where Things Can Get Tricky

- **Tax Implications:** Adding a joint owner can trigger capital gains tax.⁴ If the co-owner isn't your spouse, future income or gains may be taxed in your name.
- **Loss of Control:** Joint ownership often means you need the other person's consent to make changes, especially with bank accounts or property.
- **Unexpected Complications:** Adding someone – like your adult child – to a bank account or home might seem like an easy solution, but it can cause unintended issues.
 - **Unintended Disinheritance:** Jointly owned assets like bank accounts or property typically transfer directly to the surviving co-owner upon your death, bypassing your will. This can create issues if it conflicts with the instructions in your will, potentially leading to your assets not being distributed as you had intended.
 - **Bare Trust Confusion:** If you stay in full control of the asset and your child is on title⁵ “just to help,” you may have created a bare trust.⁶ Even if your child never uses or benefits from the asset, new CRA rules require this to be reported for tax purposes.

Bottom Line: Joint ownership can be a useful tool, but it needs to be used thoughtfully. Always seek advice before adding someone to title or accounts.

Gifting & Giving: The Fun Part!

Gifting: Sharing Assets Now

Gifting assets during your lifetime⁷, or “giving with a warm hand”, is a simple and effective way to reduce the value of your estate, which can lower taxes and probate fees upon death. Even better, you can experience the joy of seeing your loved ones benefit from your generosity in real time.

Before gifting assets, consider:

- **Your ability to afford the gift:** Once you give a gift, it's no longer yours, legally or financially. Be sure you'll still have enough to meet your own needs, now and in the future.
- **You can't gift away your tax liability:** The CRA has rules to prevent people from lowering their tax bill by shifting income to family⁸ members in lower tax brackets. If you gift assets to a minor child or your spouse, any income (like interest or dividends) earned on those assets may be taxed in your hands.
- **The implications of gifting to a married child:** Once you gift an asset to your adult child, it becomes their legal property. If they later separate or divorce, that gift may be treated as part of the family property subject to division. To help protect the gift from potential claims in a marriage breakdown, consider the following:

- **Keep it separate:** Encourage your child to hold the gift in their name only and avoid using it for the matrimonial home or joint investments.
- **Put it in writing:** Work with a lawyer to clearly document that the gift is intended for your child alone.
- **Consider added protection:** For larger gifts, your child may want to enter into a marriage contract. Alternatively, you may consider using a trust structure to help keep the asset separate from marital property.

Giving: Generosity With Benefits

Whether you donate during your lifetime or leave a gift through your estate, charitable giving reduces the size of your estate and offers valuable tax benefits, while supporting causes that matter to you.

Donating During Your Lifetime

When you give while you're alive, you not only see the impact of your generosity, you may also benefit from two key tax advantages:

- **Donation Tax Credit (DTC):** Charitable donations can earn you a tax credit for up to 75% of your net income in a given year, helping to lower your overall tax bill.
- **Elimination of Capital Gains Tax:** When you donate publicly traded securities (like stocks or mutual funds) that have appreciated in value, you avoid paying capital gains tax on the growth⁹, and still receive a donation receipt for the full fair market value. This makes giving securities one of the most tax-efficient ways to donate.

A Word of Caution: Recent changes to the Alternative Minimum Tax (AMT) rules may reduce the after-tax advantage of certain donation strategies. As outlined in our December 2023 blog¹⁰, those with substantial tax-preferred income (such as dividends and/or capital gains) who also make large donations of cash or securities may find themselves subject to AMT exposure, potentially diminishing or eliminating their expected tax credit benefit. With thoughtful planning however, those affected can still contribute to their chosen causes and benefit from tax relief.

Donating Through Your Will

Leaving a gift to charity in your will is a meaningful way to create a lasting legacy. It also brings important tax relief: your estate can claim donation tax credits for up to **100% of your final year's net income**, potentially offsetting taxes on capital gains from investments, a family cottage, or other assets.

Here are a few things to keep in mind when planning a charitable bequest:¹¹

- **Be precise:** Name the charity accurately and include its full legal name and charitable registration number.
- **Plan for the unexpected:** Consider naming an alternate charity or giving your executor discretion if the organization no longer exists.
- **Talk to the charity.** Many charities have legacy-giving teams who can help you craft the right language for your will and offer guidance on how to make your gift as impactful as possible.

Bottom Line: Giving during your lifetime – whether to family or charity – can be rewarding *and* strategic. With the right planning, you can reduce taxes, support meaningful causes, and see the impact of your generosity in real time.

Next Steps: The Smooth Hand-Off

This is just the beginning when it comes to smart, tax-efficient ways to pass on your wealth, and every family's situation is unique. That's where your Nexus Wealth Planners come in. We're here to start the wealth transfer conversation, offer a sounding board, and share ideas to help you move forward with clarity. While your estate lawyer will give legal advice and draft the necessary documents, we're always happy to collaborate with them (and any of your other trusted advisors) to ensure your plan is thoughtful, coordinated, and truly reflects your wishes. With the right support and planning today, you'll be well on your way to a smooth hand-off tomorrow.

- ¹ <https://advisingfamilies.org/canada/information-portal/caring-for-others/choosing-trustee/>
- ² <https://advisingfamilies.org/canada/information-portal/life-after-death/how-can-i-make-sure-my-disabled-child-is-provided-for-when-i-die/>
- ³ <https://advisingfamilies.org/canada/information-portal/life-after-death/what-is-probate/>
- ⁴ <https://advisingfamilies.org/canada/information-portal/life-after-death/how-is-capital-gains-tax-charged-on-death/>
- ⁵ <https://www.canada.ca/en/revenue-agency/services/tax/trust-administrators/t3-return/enhanced-reporting-rules-trusts-bare-trusts-faq.html>
- ⁶ <https://nexusinvestments.com/insight/you-may-have-a-trust-and-not-even-know-it/>
- ⁷ <https://advisingfamilies.org/canada/information-portal/planning-ahead/making-gifts-during-your-lifetime/>
- ⁸ <https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/income-sprinkling/guidance-split-income-rules-adults.html>
- ⁹ <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/receiving-gifts/donation-shares.html>
- ¹⁰ <https://nexusinvestments.com/insight/capital-gains-charitable-acts-and-the-new-alternative-minimum-tax/>
- ¹¹ <https://imaginecanada.ca/en/Guide-to-charitable-giving>

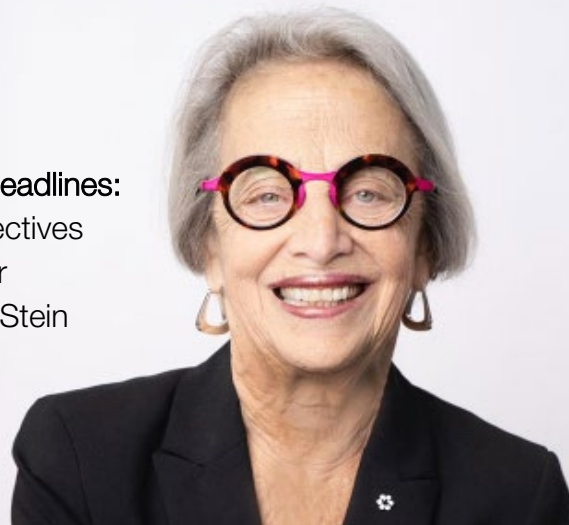
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Thursday, November 20th

Arcadian Lofts
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An executor has a tough, but important role when a loved one passes. Whether thinking about choosing an executor for your own estate, or if you've been named an executor for someone else's, there can be many complexities around managing and settling an estate that should be considered during the planning process.

There is a wide range of responsibilities for an executor, and this overview may not cover all of your unique circumstances. When the time comes, please connect with your Nexus team to help guide you through the process.

Estate Planning:

Considerations for Executors



by Ashleigh Oucharek

Step 1: Gather Important Documents

- Will: locate the original, review and obtain a copy
- Death certificate: obtain multiple originals from the funeral home
- Statements: bank accounts and investments
- Personal insurance policy documents: individual and group coverage
- Home and auto insurance documents: including primary residence, rental and vacation properties
- Property information: real estate, vehicles, other assets
- List of bills: utilities, loans, other expenses

Step 2: Notify the Right Parties

- CRA: include request to cancel GST/HST credit, CWB, CCB payments
- Service Canada: include request to cancel CPP, OAS, disability, EI, caregiver benefits
- Credit reporting agencies: Equifax / TransUnion
- Investment manager / broker
- Bank(s)
- Accountant
- Lawyer
- Doctor / PSW

Important Tip: When you report the death, you should include a copy of the will to confirm your appointment as Estate Trustee and request mail to be forwarded to you.

Step 3: Cancel Accounts and Services

- Provincial Health insurance
- Pensions or benefits from another country
- Driver's license
- Passport
- Permanent resident card
- Withdraw pending applications: Canadian citizenship
- Return accessible parking permit
- Credit cards
- Cell phone
- Social media: Facebook, Instagram, LinkedIn
- Email accounts
- Club memberships

Step 4: Apply for Benefits and Permissions

- Certificate of Appointment of Estate Trustee (Probate)
- Canada Post: set-up mail forwarding
- CPP: Death Benefit, Survivor's Benefit, Children's Benefit
- OAS: Allowance for the Survivor, Guaranteed Income Supplement
- Private pension benefits
- Life insurance: submit claims for existing policies
- Disability Tax Credit

Being an executor is both an honour and a burden. It requires financial, administrative, and emotional strength—but you don't have to carry it alone. At Nexus, we partner with families to ensure estates are managed with care and efficiency. Our team helps plan in advance, coordinate with professionals, and support executors when the time comes. With the right guidance, a difficult process becomes more manageable.

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At Nexus, we offer thoughtful wealth planning and investment management with unparalleled personalized service to private clients and foundations.

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Nexus Investment Management
111 Richmond Street West, Suite 801
Toronto, Ontario M5H 2G4

Tel: (416) 360-0580
email: invest@nexusinvestments.com

nexusinvestments.com