



Subject Outline

FPC005 Estate and Succession Planning



Section 1 — General information

1.1 Administrative details

Duration	Credit points	Level
One study period (12 weeks)	6	AQF8

1.2 Core or elective subject

This is a core subject for the Graduate Diploma of Financial Planning and Master of Financial Planning.

1.3 Delivery mode

This subject is delivered online.

1.4 Assumed knowledge

Kaplan assumes that students have completed FPC003 Superannuation and Retirement Advice and FPC004 Insurance Advice, or understand the content covered in those subjects, prior to undertaking FPC005 Estate and Succession Planning.

1.5 Course transition subject equivalence

Students may not be required to complete this subject if they have transitioned from a SIA/Finsia/Kaplan course and have completed the following subjects:

- there are no equivalences for this subject.

1.6 Work integrated learning

There are no placements, internships or work experience requirements associated with undertaking this subject.

1.7 Other resource requirements

Students do not require access to specialist facilities and/or equipment to undertake this subject.

Section 2 — Academic details

2.1 Subject overview

This subject develops students' understanding of estate planning as an integral component of ethical holistic personal financial advice. It examines the role of the clients' professional advisers and legal representatives in the establishment, management and administration of the clients' estate and non-estate assets and business and legal structures. The impacts of death, incapacity, dependency, relationship breakdown, insolvency and taxation on clients' estate planning objectives will be explored.

Students will develop strategies and solutions to address clients' personal and business estate planning risks and meet their estate planning objectives.

2.2 Subject learning outcomes

On successful completion of this subject, students should be able to:

1. Discuss the financial adviser's role when providing ethical and effective estate planning advice
2. Demonstrate knowledge of the requirements and consequences associated with estate planning objectives
3. Evaluate the impact of significant events on personal, financial and business estate planning objectives
4. Formulate strategies to manage the risks associated with a clients' personal and business succession planning.

2.3 Topic learning outcomes

Topic 1: Advising clients on estate and succession planning

On successful completion of this topic, students should be able to:

- describe the importance of estate planning
- outline how estate planning supports the different domains of financial planning
- discuss the attributes of an effective estate plan
- identify the key professionals involved in an estate plan and describe the role each plays
- explain the implications of the Australian Privacy Principles for the sharing of information between professionals and conflicts of interest.

Topic 2: Estate creation and management

On successful completion of this topic, students should be able to:

- explain the components of a valid will
- explore how testamentary intent can be conveyed and key issues relevant to ensuring a valid and effective will
- explain the benefits of updating a will
- discuss what assets do and do not form part of a person's estate (including their digital estate)
- explain the role and duties of key stakeholders upon death of the will maker – executor, administrator, and trustee
- describe the key issues relevant to the challenging of a will
- outline the implications of someone dying without a valid will.



Topic 3: Planning for incapacity and dependency

On successful completion of this topic, students should be able to:

- outline the different types of powers of attorney that are available
- explain key issues to consider when making a valid power of attorney
- identify key issues relevant to guardianship
- explain estate planning issues and strategies relevant to beneficiaries with special needs.

Topic 4: Structuring assets for estate planning and philanthropy

On successful completion of this topic, students should be able to:

- examine key issues relevant to the succession of assets held personally and in entities such as companies and trusts
- evaluate the general implications of ownership structures in estate planning
- discuss practical considerations for charitable giving.

Topic 5: Estate planning for superannuation

On successful completion of this topic, students should be able to:

- describe to whom a death benefit can be paid, and the tax impact relating to the type of beneficiary, and lump sum or income stream payment
- discuss the importance of maintaining up-to-date documentation such as binding death benefit nominations or trust deeds for self managed superannuation funds
- outline strategies to maintain estate intentions.

Topic 6: Family law and insolvency strategies

On successful completion of this topic, students should be able to:

- discuss the use of testamentary and discretionary trusts in the management of assets at risk due to family law proceedings
- discuss the use of testamentary and discretionary trusts in the management of assets at risk due to bankruptcy.

Topic 7: Business succession strategies and planning

On successful completion of this topic, students should be able to:

- discuss what is meant by business succession planning and the process for developing and implementing a business succession plan
- evaluate the benefits of a properly prepared business succession agreement and the problems that can arise without an agreement
- demonstrate understanding of the impact of different business structures on the transfer of a business, including rural property
- evaluate the basic taxation implications of the various business succession strategies and understand when clients ought to be referred for specialist taxation advice.



Topic 8: Implementing a succession plan

On successful completion of this topic, students should be able to:

- explain the process for developing and implementing a business succession plan
- discuss different buy–sell agreement options, potential funding arrangements, and the legal documents that facilitate the plan
- explain the role of insurance in funding buy-sell agreements

Topic 9: Ethical considerations of estate planning

On successful completion of this topic, students should be able to:

- explain the consequences of not having or having a poorly drafted estate plan
- examine the likely reasons for clients not preparing an estate plan
- distinguish between estate planning instruments and clients' objectives to which they will need to be matched
- understand why the intergenerational transfer of wealth is an important topic
- explain the implications of estate planning strategies for blended families

Topic 10: Implementing an estate plan

On successful completion of this topic, students should be able to:

- discuss the estate planning issues raised by a range of life events, such as death and incapacity
- evaluate the role of the financial adviser in addressing estate planning scenarios
- formulate appropriate estate planning advice and guidance.



2.4 Assessment schedule

Assessment	Description	Week	Topics	Weighting	Subject learning outcomes assessed
Quiz	Multiple Choice Quiz Online - 20 questions	Week 4	1–3	20%	LO1–LO3
Case Study	6 case studies (2,000 words)	Week 8	1-5	30%	LO1–LO4
Assignment	Recommendation Prepare a recommendation to clients who are experiencing delays with the settlement of an estate. State based legislation will be used. (3,000 words)	Week 12	1–10	50%	LO1–LO4

Please refer to our website <www.kaplanprofessional.edu.au> to review student policies relating to your assessment, including the *Kaplan Assessment Policy* and *Academic Integrity and Conduct Policy*.

2.5 Prescribed text

There is no prescribed text for this subject. Students are provided with key readings and access to Kaplan’s online databases. Students are encouraged to research and read widely on the topic.

2.6 Study plan

Week(s)	Topic name	Study load in hours
1	Topic 1: Advising clients on estate and succession planning	5
2	Topic 2: Estate creation and management	10
3	Topic 3: Planning for incapacity and dependency	10
4	Quiz (Weighting 20%)	1
4	Topic 4: Structuring and taxation of assets and philanthropy	10
5	Topic 5: Estate planning for superannuation	10
6	Topic 6: Family law and insolvency strategies	5
7	Topic 7: Business succession strategies and planning	10
8	Topic 8: Implementing a succession plan	10
8	Case Study (Weighting 30%)	9
9	Topic 9: Ethical considerations of estate planning	10
10	Topic 10: Implementing an estate plan	10
11	Assignment preparation	10
12	Assignment (Weighting 50%)	10
Total minimum study load		120 hours

Additional study hours (if required), dependent on knowledge and personal commitments	60 hours
Total study load, including additional study hours	180 hours