**Legal Entities and Relationships, 2nd Edition Errata**

**Chapter 8, Page 117**

When someone dies intestate, his or her spouse is always entitled to the first $350,000 of the estate. This is known as a **preferential share**. If the estate is worth less than $350,000, the deceased’s spouse will inherit the entire estate. If the deceased’s estate is worth more than $350,000 and the deceased had no children, the deceased’s spouse will inherit the entire estate.

If, on the other hand, the deceased died intestate and had children who survived him, the amount in excess of $350,000 is paid out as follows:

* If there is one child, the amount over $350,000 is divided equally between the spouse and the child.
* If there is more than one child, the amount over $350,000 is paid out by giving one-third to the spouse and dividing the remaining two-thirds equally between the children.

For example, assume Hasbro died intestate, was married with one child, and had an estate valued at $650,000. Hasbro’s spouse will receive $500,000 ($350,000 preferential share plus one half of the balance of $300,000) and his child will receive $150,000. If, on the other hand, Hasbro had four children, his spouse will receive $450,000 ($350,000 plus one third of the balance of $300,000) and each child will receive $50,000 – two thirds of the remaining balance of the estate ($200,000) divided equally among the four children.

**Must also correct defined term on this page: Preferential share – the first $350,000 of an estate….**

**Chapter 8, Review Question 9**

Francoise died intestate, and she is survived by her husband Georges and their daughter Monique. Francoise’s estate is worth $500,000. How will her estate be distributed?

Georges will receive the first $350,000 and the remaining $150,000 will be divided between Georges and Monique.

**Chapter 9, Page 131**

In some cases, the estate trustee does not need to post a bond. For example, if the applicant is the spouse of the deceased and the size of the estate is less than $350,000, a bond is not required. This is because, as explained in Chapter 8, when a person dies intestate, his or her surviving spouse is entitled to the first $350,000 of the estate (that is, preferential share).

**Glossary, Page 156**

**Preferential share – the first $350,000…**