

ESTATE PLANNING

CONSIDERATIONS

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- **The time to act is now!**
- **Procrastination results in a poor outcome for your loved ones!**

Key Documents

- Durable Financial Power of Attorney
- Durable Power of Attorney for Health Care with Advance Directive
- Will
- Revocable Living Trust

Durable Power of Attorney for Health Care

- Appoint someone plus a backup to make medical choices when you are not able
- Clarify end of life preferences

Durable Financial Power of Attorney

- Appoint a trusted person and a back up to act on your behalf if you are alive but incapacitated
- Permits acting on your behalf to access financial accounts, IRA's, pensions, insurance or other accounts
- Permits trusted person to talk to your credit card company, mortgage, utility accounts

Why are these Powers of Attorney so Important?

- Failure to create these documents during your lifetime, could result in a necessity for a guardianship to manage health and financial decisions .
- This guardian would be appointed by a court without your consent
- The result could be a stranger is appointed guardian who has no prior knowledge of your circumstances or preferences
- A guardianship entails additional costs incurred by court reporting requirements
- You have no control over spending decisions made by the guardian

Revocable Living Trust

- A revocable living trust is a document that can be changed
- It is useful to avoid probate at death.
- Probate can be costly and delays transfer of assets

Benefits of Revocable Living Trust

- Avoids administrative costs of probate: newspaper publication notices, inventories and accountings, hearings on claims and court filings of documents and attorney costs
- When you die, your appointed agent takes over as trustee
- There are no probate costs for the assets in the trust
- The process is faster

Will

- A legal document that is filed in probate court at death for the purpose of transferring assets.
- A will assigns assets you specify to particular heirs
- A will is probated and incurs costs unlike a trust

Trusts and Wills are Individual Legal Documents

- A married couple should each have their own individual trust and will
- Normally one spouse dies before the other and each person's assets are transferred separately under the law

Other Tips

- Consider putting your estate documents in a bank safe deposit box for protection
- Consider adding the person(s) you have selected to manage your affairs after disability or death to your bank safe deposit box.
- This step may require bank paperwork and notarized documents
- Consider adding contingent beneficiaries beyond your primary beneficiary for all financial accounts