

BASIC ESTATE PLANNING

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Assets Will Pass At Death

Contract

Operation of Law

Probate



Contracts

- ▣ Life Insurance
- ▣ Trusts
- ▣ Retirement Benefits
- ▣ Partnership Agreements
- ▣ Buy/Sell Agreements
- ▣ Annuities



Trusts

- ▣ Living Trust
- ▣ Testamentary Trust
- ▣ Spend Thrift Trust
- ▣ Charitable Trust
- ▣ Irrevocable Trust



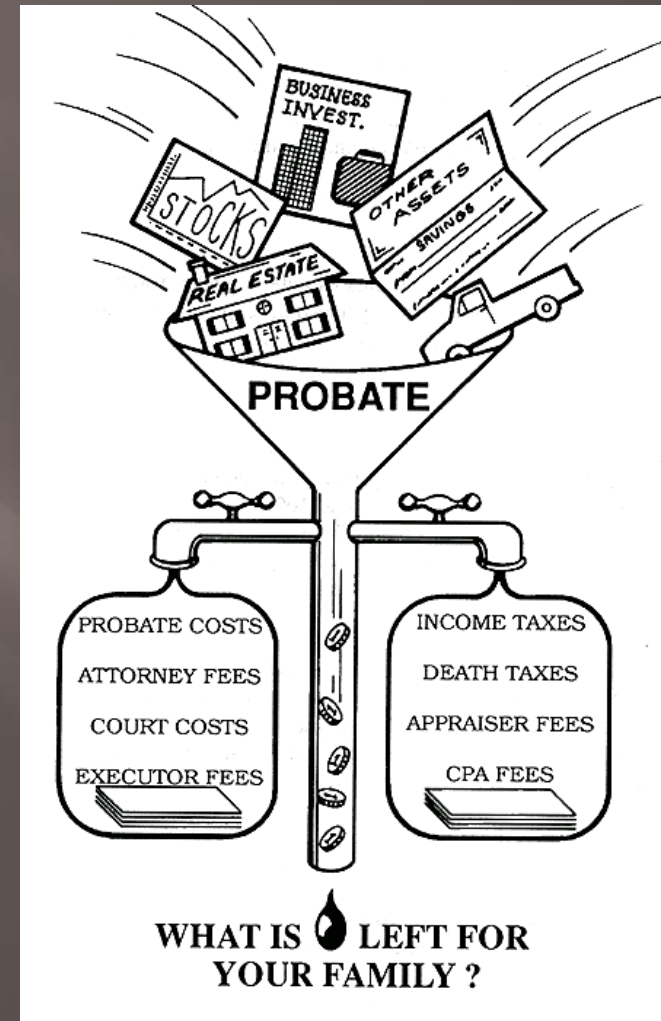
Operation of Law

- ▣ Joint Tenancy
- ▣ Community property with right of survivorship
- ▣ Financial Accounts with beneficiary
- ▣ Securities held transferable at death



Probate

- ▣ What goes into Probate?
 - Anything not under Contract
 - By Operation of Law
 - Wills
- ▣ Why is Probate a bad thing?
 - Unpredictable
 - Public Exposure
 - Family Conflict
 - Expensive
 - Time



How to Avoid Probate

- ▣ Never Die
- ▣ Make sure your assets are covered by
 - Operation of Law
 - Contract



Advantages of Wills

- ▣ Less Formal
- ▣ Initially less expensive
- ▣ Can designate alternate beneficiaries

Disadvantages of Wills

- ▣ Guardianship and Probate
- ▣ Expensive in the long run
- ▣ Probate takes time



Trusts (Revocable or Living)

- Benefits
 - Avoid Probate
 - Avoid Guardianship
 - Beneficiaries can be controlled
 - Consolidate
 - IRAs
 - Life Ins.
 - Charitable Gifts
 - Taxes
 - Marital Property



Power of Attorney

- ▣ Health Care Power of Attorney
 - Sometimes called “Durable Power of Attorney”
 - ▣ Appoints an Agent to make decisions for you
 - Why is it important?
 - ▣ Hospitals will ask for family/next of kin
 - ▣ Domestic Partnership is not recognized everywhere

- ▣ Power of Attorney for Financial Decisions
 - Appoints an Agent & Gives access to your finances

Any Questions???

