

# Estate Planning Guide

**The purpose of this document is to help you prepare your estate plan in advance of purchasing one of our products. Below you will find the information you will need and considerations to make prior to completing your estate plan.**

## Wills and Trusts

1. Name
2. Spouses Name
3. Address, City, State, Zip, County
4. Email Address
5. Number of Children you Have
6. Children's Names
7. Beneficiaries. Who gets what? These will be the beneficiaries of your estate.
  - a. Our products always work in percentages of your estate. For example, if you have 4 beneficiaries and each gets 25%. You could also give one beneficiary 50% and the others, 25% each. This helps keep your estate documents accurate if your finances change. If you said that each beneficiary gets \$100,000 and you had a \$250,000 total when you passed, this would create confusion.
8. Who will be your trustee or executor?
  - a. This is a person you trust to carry out the management and distribution of your assets as set forth in your estate plan. They see to it that your assets are collected, that claims, expenses, and estate and inheritance taxes are paid, and then distribute your property to trustees or others you have named. It is a task of limited duration, substantial responsibility, and much work.
  - b. This person should be:
    - i. Responsible, trustworthy, and patient. If you don't have anyone in mind, you can name an attorney, accountant, bank, or trust company. Keep in mind that they will charge the estate for their work. Check rates before you name them as sometimes it can be a substantial cost to the estate.
    - ii. In good financial standing. A person that is responsible with their own finances is more likely to be responsible with your estate. Also, if a bond is required for any reason, a person needs to be financially healthy to qualify to purchase a bond.
    - iii. Younger than you. At least one of your executor's/ trustees should be younger than you. Simply, you want the best chance of them being alive and able to act when it comes time to administer your estate. Naming a minor is not recommended, if they don't reach the age of 18 when the time comes, they will not be able to act.



- iv. Located in the United States. It's helpful if they live nearby, but not required. They do not necessarily have to live in the same state, but there may be legal or logistical issues if they live in another country.
  - v. Drama free. Do not name someone who does not get along with the beneficiaries. It is OK to name a beneficiary as executor or trustee, you just want to give the best chance at a smooth administration.
- c. Once you select the individual make sure to have a conversation with them and make sure that they are willing to accept the responsibility and act in accordance with your wishes.



9. Who will be your back-up trustee or executor?
- a. If your first choice is not available or passes away first, who will manage and distribute your assets as set forth in your estate plan.
  - b. Once you select the individual make sure to have a conversation with them and make sure that they are willing to accept the responsibility and act in accordance with your wishes.
10. Guardians for minor children. If you have minor children, you should designate in your estate planning a guardian or guardians of the person and their estate in

the event of your death and/or your spouse's.

a. **List your values for raising your children.**

Consider moral values, such as kindness and generosity, as well as religious and spiritual values. What do you want for your child? Is ensuring your child has a top education most important? Do you want your child to be able to express himself and follow his passions? Is exposure to the arts and other cultures essential? Although no one will be a perfect match, the guardian you choose should have values similar to yours.

b. **Based on these values, make a list of all possible candidates.**

Don't just limit this to immediate family; include friends and extended family as well. Choose single people, not couples, as guardians. Things change and people get divorced; you don't want them to then determine custody of your child. For each person, ask yourself these questions.

- i. Are they capable of taking care of your child? Are they financially stable and responsible? Emotionally and physically healthy?
- ii. What would your child's day to day life look like? Picture their life. Do they fit into the family? Are they happy? Is it similar to the life they know?
- iii. Who would raise the child? You may list your brother as guardian, but maybe his wife is the one actually raising the kids.

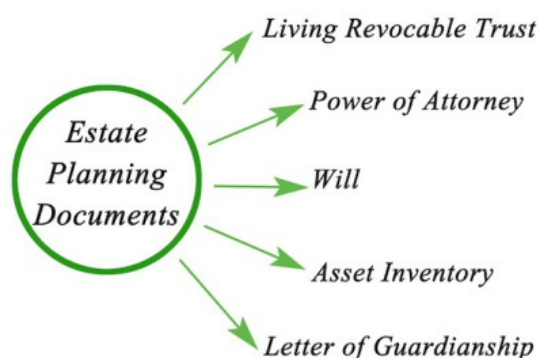
- iv. What is their current family structure? Will they be raised with other children? What is their partner like?
- v. Where are they located? Is it close to other friends or family members?
- vi. Most importantly: Do they love your children? Do your children love them and feel comfortable with their family? If the worst happens and your child goes to this guardian, will they feel safe and loved?

c. **Once you choose your guardian, ask them permission.**

Make sure they are comfortable with the decision, talk about how this addition would affect their family, and what the new family would look like. Discuss your values and the hopes you have for your child's future.

## Healthcare Power of attorney

A Healthcare Power of attorney is a document in which you designate someone to be your representative, or agent to make health care decisions only in the event that you are not be able to make them for yourself. The representative may not choose any 'end of life' decisions unless you specifically choose that you would like that as an option. If the principal is consciously able to think for themselves then the representative has no say in your treatment.



This is a simple document to create that has big implications. You don't want someone who is going to keep you on life support, in accordance with their own wishes, when you don't want life sustaining treatment. Choose someone who has your best interests at heart, is willing to follow your own healthcare wishes even when they are in disagreement with their own beliefs or wishes and has no personal grudges against any of your family members. For this document you will choose an agent to act on your behalf and a back-up to that agent that will act if your first choice is not available.

Here are some things to think about when considering who to appoint as your healthcare power of attorney:

### Location:

In a true medical emergency, your health care agent may need to make around the clock decisions about your care and may be needed for an extended period of time, in which case, you'll want that person to be relatively close-by and available at all times.

### Medical Understanding:

Choose someone capable of understanding your medical situation and how the Power of attorney functions. Your attorney in fact does not have to be medically trained, but rather they must prove that they can listen and make rational decisions about medical care and do so without being emotionally squeamish. Discuss your medical situation and any medical decisions you'd like to have made before you sign the document.

### Sense of loyalty:

Your choices will be carried out in the face of emotional stress and turmoil. Choose someone who has your best interests at heart, is willing to follow your own healthcare wishes even when they are in disagreement with their own beliefs or wishes and has no personal grudges against any of your family members. Don't grant any power to an agent unless you are comfortable with them having the power.

**Willingness to serve:**

As was stated before, acting as someone's healthcare Power of attorney can be time consuming. Make sure the person you select is not only able to serve in the function you have assigned him or her but is also capable of setting aside the time to do so or use language in the Power of attorney to require the hiring of a professional to help balance the load. (On a separate note, if you are going to require the hiring of someone you need to make provisions to make that possible.) If you choose your adult children, consider splitting the duties to match their abilities.

**Assertive:**

There's nothing like family to get in the way of your own wishes. It's important that the person or people you've selected are able to stand up in the face of opposition from family members and potentially you. In cases of cognitive decline, it's not unusual for an individual to become oppositional, making it difficult for the attorney-in-fact to address your needs. A formal family meeting can be used to discuss the obligations of the person or people you have selected. This is a good time to consider hiring an outside mediator such as a lawyer or a personal representative to help facilitate the meeting. You can use the family meeting as an opportunity to talk about your wishes such as protecting your assets, avoiding becoming a burden on others and avoiding institutional care.

**Choose a backup:**

People go out of town or otherwise become incapable of fulfilling their roles as Power of attorney at the least convenient times. Make sure you have someone who can act in case the primary is unable or unwilling to serve in that capacity.

**Provide copies:**

You should give copies to your regular physician, your agent appointed in your healthcare power of attorney and any family members. This will provide you with the opportunity to talk about the decisions you've made about your future healthcare.

**Update documents:**

There's no time limit on a power of attorney but it's generally a good idea to re-visit your decisions and update the document every few years.

**Have the document witnessed:**

It's generally not necessary to have a power of attorney witnessed in your state of residence but if you go out of state or have family members who are likely to make a fuss about a decision, a witness may help to avoid a legal challenge. No one related to you by blood or marriage should serve as witnesses.





### Have a formal family meeting:

The goals of most people include protecting your assets, avoiding institutional care against your wishes and avoiding burden on others, but you need to tell your loved ones what that means for you. No one can achieve those goals alone so you need to get buy-in from the interested parties because if a Healthcare Power of attorney is enacted, you'll be relying on them to work together to see that your wishes are adhered to.



### Don't choose someone already involved in your care:

Doctors, nurses, people who work at the nursing home where you reside cannot be legally appointed to be your Power of attorney.

### Don't choose someone too young:

No matter how responsible someone is, if he or she has not reached the age of majority in your state, he or she cannot make decisions for you.

The text of the healthcare power of attorney going to set out options to choose from that will act as a direction to your selected agent acting on your behalf. When you print your healthcare power of attorney you will initial next to the one that aligns with your wishes. They may vary some by state, but here are the options:

- 1 **MAXIMUM DISCRETION TO AGENT:** I do not want my life to be prolonged nor do I want life-sustaining treatment to

be provided or continued if my agent believes the burdens of the treatment outweigh the expected benefits. I want my agent to consider the relief of suffering, my personal beliefs, the expense involved and the quality as well as the possible extension of my life in making decisions concerning life-sustaining treatment.

- 2 I do not want my life to be prolonged and I do not want life-sustaining treatment if I am in a coma or have an irreversible condition and would not survive without life support.

- 3 "I want my life to be prolonged to the greatest extent possible, within the standards of accepted medical practice, without regard to my condition, the chances I have for recovery or the cost of the procedures."

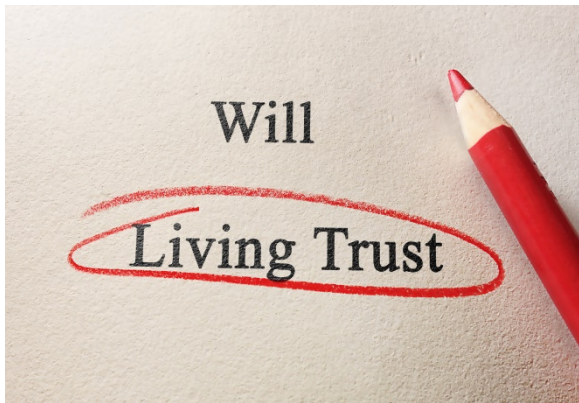
## Living Will

A Living Will is a document indicating your wishes concerning the "heroic" or extraordinary measures to save your life in the event of a catastrophic illness or injury. Most states recognize your healthcare power of attorney, but it is recommended to have a living will as well, in case you are hospitalized in a jurisdiction that does not recognize a healthcare power of attorney. This is a one page document that has to be signed and witnessed by three witnesses.



## Financial Power of attorney

The durable financial power of attorney is simply a way to allow someone else to manage your finances in the event that you become incapacitated and are unable to make those decisions yourself. It grants someone legal authority to act on your behalf for financial issues when you are unable to act yourself. For this document will choose an agent to act on your behalf and a back-up to that agent that will act if your first choice is not available.



1. Responsible, trustworthy, and patient. If you don't have anyone in mind, you may be able to name an attorney. Keep in mind

that they will charge the estate for their work. Check rates before you name them as sometimes it can be a substantial cost to the estate.

2. In good financial standing. A person that is responsible with their own finances is more likely to be responsible with yours.
3. Younger than you. At least one of your power of attorneys should be younger than you. Simply, you want the best chance of them being alive and able to act when it comes time to act. Naming a minor is not recommended, if they don't reach the age of 18 when the time comes, they will not be able to act.
4. Located in the United States. It's helpful if they live nearby, but not required. They do not necessarily have to live in the same state, but there may be legal or logistical issues if they live in another country.

Drama free. Do not name someone who does not get along with the beneficiaries. It is OK to name a beneficiary as your power of attorney.

## **Estate Planning Checklist**

Now that you have familiarized yourself with our estate planning guide, you will be able to answer these questions via our online questionnaire and create your full estate plan in minutes. Below is a checklist of the items that you needed to think about after reading our Estate Planning Guide. You can sketch your answers out here or proceed straight to our online form! Thank you again for trusting Wills and Trusts Inc. for these important documents.

\_\_\_\_\_ **Beneficiaries.** Who gets what percentage of your estate? These will be the beneficiaries of your estate.

\_\_\_\_\_ **Trustee/ Executor:** Who will be your trustee or executor? This is a person that you trust will handle the distribution of your assets according to your wishes as set forth in your estate plan. You should have a first choice and a backup.

1.

2.

\_\_\_\_\_ **Guardians for minor children.** If you have minor children, you should designate in your estate planning a guardian or guardians of the person and their estate in the event of your death and/or your spouse's. Remember, If you are married your spouse will be automatically populated as your first Guardian. So you will be naming two people as your first and second backup to your spouse acting in this capacity. You should have a first choice and a backup.

1.

2.

\_\_\_\_\_ **Healthcare Power of attorney** A Healthcare Power of attorney is the document in which you designate someone to be your representative, or agent to make health care decisions only in the event that you are not be able to make them for yourself. You should have a first choice and a backup.

1.

2.

\_\_\_\_\_ **What Direction will you give to your Healthcare Power of attorney?**  
Remember the three choices below:

I do not want my life to be prolonged nor do I want life-sustaining treatment to be provided or continued if my agent believes the burdens of the treatment outweigh the expected benefits. I want my agent to consider the relief of suffering, the expense involved and the quality as well as the possible extension of my life in making decision concerning life-sustaining treatment.

Initialed.....

I want my life to be prolonged and I want life-sustaining treatment to be provided or continued unless I am in a coma which my attending physician believes to be irreversible, in accordance with reasonable medical standards at the time of reference. If and when I have suffered irreversible coma, I want life-sustaining treatment to be withheld or discontinued.

Initialed.....

I want my life to be prolonged to the greatest extent possible without regard to my condition, the chances I have for recovery or the cost of the procedures.

Initialed.....



\_\_\_\_\_ **Living Will.** Do you agree with the terms of a living will? If so, there is nothing to do on the questionnaire, there will be a living will that prints with your package and you simply have to sign it and have it witnessed.

\_\_\_\_\_ **Financial Power of attorney**

The durable financial power of attorney is simply a way to allow someone else to manage your finances in the event that you become incapacitated and are unable to make those decisions yourself. You should have a first choice and a backup.

1.

2.