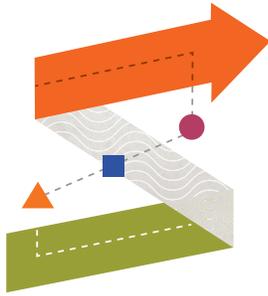


## TRUST AND ESTATE SERVICES

## What to Consider When Formulating Your Estate Plan



When you're ready to create your estate plan, it's important to carefully consider all of the factors that go into creating an effective plan.

### What documents do I need for my estate plan?

Having a good understanding of the documents you will need to execute is a good first step. Those documents may include a will, trust, and various types of powers of attorney.

### Creating or revising a will

A will provides for the disposition of assets and communicates your wishes to your heirs. It's important to revisit your will periodically, particularly around life events (marriage, birth, divorce, death), when there is a change in estate and tax laws, or when your personal financial situation or objectives change. The following questions can help you think through what needs to be included in your will:

- Who are your family members? Spouse, children, stepchildren, grandchildren, parents, siblings, nieces, nephews, etc. How old are they? Where do they live? Are they married?
- Have you or your spouse been previously married? Are there children from the prior marriage?
- What are your assets? Real estate, checking and savings accounts, investment accounts, retirement accounts, life insurance, personal property, business interests, etc.?
- Do you have any current or future interests in a trust or potential inheritances?
- Will you need to provide resources for your parents or others that should be considered?
- Who do you want to get your various assets? Do you want them to pass outright or in trust?
- Who do you want to be the executor of your will? Who should be the successor to that person? Have you considered why a corporate executor may be a better choice?
- If you have young children, who do you want to be the guardian of your children? Will it be the same person who manages assets left to the children?
- Are you charitably inclined?

### Creating a power of attorney

A power of attorney documents instructions for your medical care and asset distribution upon incapacity. There are a few different types of powers of attorney, and you may name different individuals for different powers. It's important to consider

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the skill sets and geographic locations of the individuals you plan to name in your documents. Types of powers of attorney include:

- **Financial power of attorney** — this document designates a person to take financial action on your behalf:
  - When do you want the power to go into effect and for how long do you want it to last?
  - What kind of powers do you want this individual to have?
  - Who will make decisions with respect to your business interests?
- **Medical power of attorney** — the document designates a person to make medical decisions on your behalf in the event of incapacity (may also be called a healthcare proxy).
- **Living will** — often combined with a medical power of attorney, a statement of wishes regarding life support and artificial nutrition in the event of medical catastrophe or debilitating illness.

### Creating a trust

Trusts can provide a vehicle for your assets to be managed as you wish, may help minimize taxes, may allow for privacy, and may avoid the probate process. In addition to determining who you will name as your trustee and where your trust will be located, the following questions should be considered before you establish a trust:

- What are your goals for the trust?
- Who are the beneficiaries? Spouse? Children? Siblings? Charity?
- When and why do you want income and principal distributed? Automatically? Discretionary? For health, education, maintenance, and support?
- For starting a business? For purchasing a first home? For getting married?
- Do you want beneficiaries to have automatic right of withdrawals? Annually? When they reach a specific age?
- Who will act as trustee? Will there be a co-trustee? Do you want to have a corporate co-trustee?

**Please contact us to learn more about what to consider when creating your estate plan.**

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