



Estate Fiduciary & Legacy Oversight Workbook

Estate Settlement

Upon your passing, your estate will need to be “settled”. This process includes gathering your assets, resolving your debts, closing out your tax matters, and ultimately distributing your estate in accordance with your estate documents.

Tools of My Estate

Will – directs disposition of assets that are not jointly owned, owned “in Trust” or otherwise distributable by way of beneficiary designation (such as retirement accounts, annuities and life insurance). If a Will is used along with a Revocable Living Trust, the Will is called a “Pour Over Will” because its purpose is to take the assets which were not titled in trust during the estate creator’s lifetime and pour the assets over to the estate creator’s Trust for holding and disbursement pursuant to the terms of the Trust.

Revocable Living Trust – commonly used to avoid probate, addresses management of Trust assets both during the Trust creator’s lifetime as well as during their incapacity. Also, the Revocable Living Trust directs the disposition of the Trust assets upon the Trust creator’s passing.

Terminology

Personal Representative/Executor – the person or independent professional estate fiduciary whom you appoint to settle your estate and to carry out the terms of your Will.

Successor Trustee – the person or independent professional estate fiduciary named in the Revocable Living Trust who you appoint to administer your Trust during the settlement of your estate when you pass in accordance with the terms of your Trust document.

Legacy Trustee - some decide to distribute their estate to their heirs over time or for specific purposes. The Legacy Trustee is responsible for overseeing the management and distribution of the estate assets from the Legacy Trust to the designated beneficiaries.

Important Considerations

In considering who should be tasked with the responsibility of settling your estate, whether it is a Personal Representative / Executor (under the Will) or a Successor Trustee (under the Revocable Living Trust), it is important to consider the following:

Relational impact - conflicts of interest may arise and family harmony may be disrupted, sometimes permanently, when a family member is named as an Executor or successor Trustee, especially if that family member is also a beneficiary of your estate.

Time availability – settling an estate takes time and requires flexibility of schedule. If time is a challenge, the estate settlement work may not get done, which can cause issues for the estate beneficiaries.



Physical presence – sometimes a person’s location may present issues or challenges in fulfilling their responsibilities.

Practical competency - a general understanding and overall comfort level with addressing legal, financial, and tax matters is beneficial. When working with complex issues around real estate, retirement accounts, personal property, and/or other unique assets, even simple mistakes can have a detrimental impact.

Naming an Independent Professional Estate Fiduciary

Because of the multifaceted responsibilities and relational issues which can often arise, an independent professional estate fiduciary can be a good alternative to a family member or close friend. If desired, your financial advisor or attorney may have a recommendation for a trusted independent professional estate fiduciary for your consideration.

Naming a Family Member or a Friend

Should you desire to have a trusted family member or friend settle your estate, it is likely that this may be their first time to do so. Any inexperienced individual that you name may require some assistance in the form of:

- Providing or assisting with the preparation of the legally-required beneficiary reporting and correspondence;
- Consultative support to understand and ensure proper process is being followed and mistakes are not inadvertently made, as well as when to seek the assistance of an attorney, accountant or financial advisor.

If this is the case, a professional who is skilled and experienced in the area of estate settlement can be of beneficial assistance in supporting your family member or friend.

<p>Personal Representative/Executor of my Will, AND Successor Trustee of my Trust</p>	
<p>Backup Personal Representative/Executor of my Will, AND Second Successor Trustee of my Trust</p>	

If you have named a trusted family member or friend to settle your estate, would you like your estate documents to suggest and empower your family member or friend to be able to engage a professional for assistance?

- Yes**, I would like our family member or friend to be able to engage a professional who is skilled and experienced in the area of estate settlement to assist with fulfilling their estate settlement responsibilities.
- No**, not applicable.

Legacy Oversight

If your legacy desires are to have some, or all your assets held in a Legacy Trust and distributed to your heirs over time and/or for specific purposes, you will need to appoint a 'Legacy Trustee' to oversee the management and distribution of your Legacy Trust assets.

What Does a Legacy Trustee Do?

Your Legacy Trustee is responsible for the proper administration and tax reporting for the Legacy Trust, as well as ensuring the Trust assets are used and distributed for the purposes you have expressed within your Trust document. A general understanding of legal, financial and tax matters is required for the Trustee.

Words to the Wise

As discussed regarding Executors, naming a family member or close family friend as your Legacy Trustee places them in the middle of the family wealth, and can lead to unforeseen and sometimes long-lasting relational conflict. Again, your financial advisor or attorney may have some trusted independent professional fiduciary options for your consideration.

In light of the above, please list in order of priority succession who you would like to serve as Trustee of your Legacy Trust.

Trustee of my Legacy Trust	
Successor Trustee of my Legacy Trust	

Role of Financial Advisor

Financial advisors are often in the best position to know family history and understand legacy intentions. For that reason, Trust creators often desire the ongoing involvement of their financial advisor once the estate has been settled and assets have passed into a Legacy Trust. As the Trust creator, your Legacy Trust can specifically direct a trusted advisor who will continue to be involved in the oversight of your legacy intentions, while also being responsible for the management of your Trust assets.

Would you like your current financial advisor to continue to be involved in the oversight of your legacy through their management of your Trust assets?

- Yes**, I would like our financial advisor to continue to be involved in the oversight of our personal legacy through their management of our Trust assets for the benefit of our beneficiaries.
- No**, not applicable.



Planning for Incapacity

There may come a time when you become unable to manage your own financial or health care matters. As part of your estate plan you will also be asked to nominate those who will be responsible for overseeing and managing your financial affairs, as well as to oversee and manage your health care should you become incapacitated or unable to do so for yourself.



Financial Care Planning

Terminology

Financial Power of Attorney (FPOA) Agent - responsibilities include overseeing the continued management of your various checking, savings and investment accounts, management and upkeep of any real property, bill payment and all tax reporting.

Again, this person only steps into this role should you ever become unable to manage your financial affairs.

Words to the Wise

Naming a family member to serve in this regard, who also is a beneficiary of your estate, may create conflicts of interest, and in some circumstances create relational strife within your family. Often, the party you have selected to serve as successor Trustee would be a good first option to also serve as your agent for your financial matters under the Financial Durable Power of Attorney (FPOA).

In light of the above, please list in order of priority succession who you would like to serve as your agent under your Financial Power of Attorney.

Nominated FPOA Agent	
Successor FPOA Agent	



Medical Care Planning

Terminology

Medical Power of Attorney (MPOA) Agent - is someone who can step in should you ever become unable to manage your care or make decisions related to your health and well-being.

Important Considerations

These types of decisions and responsibilities include:

- **Communicating** with and connecting medical providers, and if authorized, family members of the client,
- **Accessing** medical records,
- **Consenting** to medical procedures and medication,
- **Sourcing** appropriate care and housing,
- **Navigating** complex relational dynamics,
- **Advocating** for the client's wishes and best interests and
- **Coordinating** with financial decision makers.

Nominating Your MPOA Agent

In considering who should be tasked with this responsibility, it is important to also think about time availability, physical presence, practical competency (a general understanding and overall comfort level with addressing health care related matters) and relational impact (consider how family harmony may be affected if considering a family member).

Words to the Wise

For some, a professional Care Management agency can be a good resource, either to serve as your agent or to provide support to the family member or friend who you wish to name.

A professional Care Management agency can provide expert advice, direction to resources and, if necessary, become a trusted partner to your health care agent by helping to navigate the complex situations that may arise. The professional can also take on some of the duties if they become overwhelming for the MPOA agent, allowing the agent to delegate and reduce the direct requirements of serving in this capacity.

If desired, your wealth advisor or attorney may have some trusted Care Management agency options for your consideration.

In light of the above, please list in order of priority succession who would like to serve as your agent under your Medical Power of Attorney.

Nominated MPOA Agent	
Successor MPOA Agent	

If you have named a trusted family member or friend to serve as your agent under your Medical Power of Attorney, would you like to suggest and empower your agent to engage a professional Care Management agency to assist in fulfilling their responsibilities in overseeing your health care?

- Yes**, I would like our family member or friend to be able to engage a professional Care Management agency to assist with their responsibilities in overseeing my health care

- No**, not applicable.



719-358-8478

Info@TrusteeServicesGroup.com

TrusteeServicesGroup.com