



Single Trust by Mail Packet

A Comprehensive, Real-World Tested Trust Backed by 28+ Years of Dedicated Trust Experience

Thank you for your interest in our trust by mail designed for those of you that wish to leave your estate equally to your children or to your spouse first, if married. Below is a summary of the material contained in this packet for completing your trust by mail. We've provided it in checklist form so you can double check that you have completed and are submitting each part. **Please note, when emailed or you download this packet from our website, the questionnaire and part of the real estate worksheet is in a fillable PDF format allowing you to easily type in the information. When possible, we highly encourage you to do so because typed words are much less prone to misinterpretation than hand written ones** (and in truth it is sometimes very hard to read hand written names).

Our Website Step-by-Step Videos Walk You Through the Entire Trust Process

Our paperwork is designed to be straightforward and self-explanatory but we also supplement it with our step-by-step videos that walk you through the entire trust process from completing the intake material -- to reviewing, explaining, and signing each of your trust documents – and even to Why a Living Trust Is the Only Intelligent Choice if you need to know.

Checkmark as completed	Document	Description
Reviewed & Signed	Single Questionnaire	Enter basic data about yourself, your children, your choice of successor trustees, inheritance ages, etc.
Reviewed & Signed	Real Estate Worksheet	Tell us what real estate property you own and whether or not you would like us to obtain the deed(s).
Reviewed & Signed	Client Checklist	Makes you are aware of certain issues. Please also initial under each paragraph.
Reviewed	Titling Assets in Your Trust & Beneficiary Designations	There is no need to submit these documents but both are very important for you to review.

Our Complete Package Includes:

- Comprehensive Living Trust
- Master Assignment of Assets to Trust
- Pour-Over Wills
- Financial Durable Power of Attorney
- Advanced Health Directive
- Preparation of one California Deed Transferring the Property to Your Trust (includes Recording Documents). Nomination of Guardianship for Minor Children (if applicable)



Submitting Your Packet & Payment

Included In The \$499 Pricing:

1. Comprehensive Living Trust
2. Master Assignment of Assets to Trust
3. Pour-Over Wills
4. Financial Durable Power of Attorney
5. Advanced Health Directive
6. Nomination of Guardianship for Minor Children (if applicable)
7. Community Property Agreement (if married)
8. Trust Certification

\$499

Charges for Deeds We Obtain For You (\$10 each): In order to transfer your real estate to your trust we must obtain a copy of your current ownership deed. If you elect for us to obtain this for you through our online service, please add an additional \$10 each for each property. (Note: Your Deed must be available from our service.)

Charges for Preparing California Deeds (\$100 each): We charge \$100 for each transfer deed and recording documents for each California real property. (Note: an additional \$50 fee applies for each San Mateo & Merced County Property deed) Please call for quotes on out of state deeds (varies by state).

Please make check payable to Landis Mahaffey
\$ TOTAL →→→

Please mail your packet & check (payable to Landis Mahaffey) to:

Affordable Living Trusts
14567 Big Basin Way; Suite A1
Saratoga, CA 95070-6039
(408) 741-1627

You can also fax your documents to (408) 519-6462 & mail your check to the above address.

**Thank
You!**



Single Trust Questionnaire

Instructions: Please print and complete all information. **Confidentiality:** Please note that this and all provided information is held in the strictest of confidence and is never released to or shared with anyone.

Last Name: _____ County of Residence: _____

Address: _____

City: _____ St: _____ Zip: _____

Home Phone: _____ Work/other Phones: _____

E-Mail Addresses: _____

Name of Trust:

It is important to understand that in addition to the name of your trust, a number of elements will uniquely identify the trust. The trustee's name (your name) and the date of the trust will also be included in the formal title of your trust (i.e. John Smith, trustee of the Smith Trust, dated January 1, 2016). Additionally, accounts use your social security number. Our convention is to name your trust using your last name (i.e. Smith Trust). Anything else just adds useless verbiage. If, however, you want us to name your trust another way, please specify below.

Your preferred name of trust: _____

Initial Information:

Note on filling in name information below: Generally, use your customary names **as you wish them to appear on your documents**. For example, if your name is John Andrew Smith, you may want to use John A. Smith or J. Andrew Smith depending on your preference. **Acceptable ID is strictly limited to a current (non-expired) picture 1) Driver's License, 2) DMV or Military ID, or 3) Passport**

Legal Name: _____ Date of Birth: _____

Are You a U.S Citizen? Yes No *if not a U.S. Citizen, are you a Legal Resident?* Yes No

ID Type _____ ID# _____ Expiration Date: _____

Current Marital or Domestic Information (if applicable)

Are you currently married or a registered domestic partner? Circle below:

_____ No _____ Married _____ Registered Domestic Partner (RDP)

Name of Spouse or RDP (if applicable): _____

Approximate year of Current Marriage / RDP (if applicable): _____

Do You Have a Pre or Post Nuptial or Property Agreement (if applicable)? _____

Prior Marriages

Previous Marriages (if any):

Please list the names of any previous spouses you were married to (write "none" if none) and be sure to note whether the marriage ended by death or divorce by circling the appropriate choice:

Previous Spouse's Name (a): _____ Check how this Marriage ended: _____ Death _____ Divorce

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Are you presently obligated under any court ordered spousal support, court ordered life insurance and/or beneficiary designations, or co-ownership of property or assets with a prior spouse governed by a court order / agreement. (Note: Court ordered child support is covered in a separate section.)

_____ No _____ Yes (if yes please briefly describe below):

Children

Legal Children:

Please list the names only of children that are your legal children (birth or legal adoption). If the child has married, please list the maiden name in parenthesis [i.e. Mary (Smith) Jones]:

Child's Name: _____ Approx Current Age: _____ Date of Birth: _____

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Child's Name: _____ Approx Current Age: _____ Date of Birth: _____

Child's Name: _____ Approx Current Age: _____ Date of Birth: _____

Deceased Children (if any): Please List the Names of any deceased Children.

Did any deceased child leave any children? (describe)

Are you presently obligated under any court ordered child support and/or agreements?

_____ No _____ Yes (if yes please briefly describe below):

Designation of Ultimate Beneficiaries

Your Children as Sole & Equal Beneficiaries

Note on Young &/or Immature Beneficiaries *We know that a young person cannot be given their share outright at an age they cannot or should not have it – but you still need to designate what that share is. For now, in this section, disregard beneficiaries' ages and concentrate on how you want your estate divided. The section that follows will deal with the issue of under-age and/or immature beneficiaries.*

Confirming Your Intent To Leave Your Estate Equally Among Your Children (Descendants by Right of Representation). Though you are free to leave your estate to anyone and in manner you choose, **our trust-by-mail service is designed strictly for those who wish to leave their estate equally among their children** – or more specifically to your descendants by right of representation. Descendants by right of representation means your estate will be distributed equally among your children if they all survive you -- but if a child does not survive you that child's share would be given to the non-survivor's children (if they had any). In other words, they stand in their parent's stead. If your pre-deceased child has no legal descendants, then such share would be divided equally among your other children. As a final backup, in the highly unlikely case you leave no descendants (no children or grandchildren), the trust will essentially specify for your estate to be distributed to your closest living relatives or more specifically to your heirs as defined by state law. Most times this means to your parents if they survive you -- or if you leave no parents then to your siblings, etc. **By signing below, I confirm my desire and intent to leave my estate to my descendants by right of representation.** I also hereby disavow any prior estate plan (if any) that does not reflect this same (above) intent and confirm that the distribution specified herein and discussed above reflects my current intent and wishes.

(Signature above)

Managing a Young Person's Inheritance

Properly Managing Any Share Due to a Young Person Until They Reach a Responsible Age

Note: Even if your children or other primary beneficiaries are now mature adults, you still need to complete this section in case a young or immature person ends up inheriting a portion of the estate (for instance, a grandchild might inherit because a child predeceased you).

In your trust you get to decide how old anyone should be before being allowed to manage their own inheritance (otherwise they get it at 18 to do with as they please). Opinions differ, but certainly 15 years old isn't old enough and most don't believe it magically occurs at age 18 or even age 21. Again, opinions differ but we believe that the first choice below (written after completing countless trusts) strikes a reasonable balance and most clients seem to agree. **During the time a young person's share is held in trust, the trustee essentially acts as a "gatekeeper," making sure distributions are used for the young person's health, education, support (living expenses rather than exotic cars and "partying") and encouragement towards being a productive member of society** (rather than being a "bum on the beach"). Looking at this from the larger picture, **you may also want to strongly consider naming your trust as the beneficiary of life insurance** or the entire payoff amount would be turned over at age 18. The same consideration applies to retirement plans (though this sometimes requires balancing your concern over managing the money vs any potential tax advantages of naming them outright, which you should discuss with a tax professional). The choice is yours.

Please specify by choosing below (Note: The Most Common Choice is the first)

_____ **Remains in Trust Until 25 & 30 with discretion to accelerate second half:** Under this scenario, the entire amount remains in trust to be used for the child's benefit until age 25. The child will then receive the first one-half of their share of the trust outright at age 25 and the final one-half remains in trust until they reach age 30, at which time they receive the balance. However, the trustee has the discretion to accelerate the final one-half to occur anywhere between 25 and 30 if the trustee deems the child mature and responsible enough to handle it.

Or

_____ **Remains in Trust Until _____ & _____ with discretion to accelerate second half:** Same as above except you may fill in the two distribution ages you desire (with our imposed maximum age of 40).

Or

_____ **Remains in Trust until 25 (100% distributed at 25):** Under this scenario, the entire amount remains in trust to be used for the child's benefit until age 25, at which time the child receives 100% of their inheritance.

Or

_____ **Remains in Trust until _____ (100% distributed at specified age):** Same as above except you may fill in the desired distribution age (with our imposed maximum age of 40).

Designation of Successor Trustees

You Must Decide Who Will Manage the Trust If You Die (Or Become Incapacitated)

The person in charge of managing the trust is called the trustee. In a single trust, that's you while you are alive and able; if it is a married trust, both spouses function as co-trustees. In case you die (or become incapacitated), you need to designate who you want to step in to manage the trust assets and carry out your instructions (per terms of the trust). This is called your successor trustee. Please note that designating someone as a successor trustee does not entitle them to any part of (or more of) your estate (though a trustee can also be a beneficiary). Also, you do not need someone's permission to nominate them as a successor trustee. If someone doesn't want to serve they simply decline and it falls to the next. We remind you of this because as long as you fail to name someone it remains in the hands of the state – leaving you no say in the matter. Remember, you can change this at any time.

Guidelines and Notes in Choosing Successor Trustees

In designating successor trustees, we find most choose one of their children (unless the child is a minor). Although you are free to nominate co-successor trustees, our experience indicates that multiple co-trustees often complicate matters and tend to make the trust more difficult and costly to administer. This is just one of the reasons we suggest "one at a time." That said, multiple co-trustees are appropriate if you believe a single trustee needs the checks and balances of a fellow co-trustee. For instance, if there is a potential issue with one being fair and trustworthy (which ironically is a strong argument against anyone being nominated as a trustee at all). Whoever you choose, make sure it is someone you believe to be absolutely trustworthy and fair (the most important criteria). As a practical matter, if all else is equal, lean towards choosing someone geographically close to you. Finally, we strongly advise nominating only resident U.S. Citizens as trustees because this may potentially in the future trigger legal and tax complications (and possible additional taxes).

Please Name Below Your Choices for Successor Trustee:

First Successor Trustee: _____

Second (Backup) Successor Trustee: _____

Third (Backup) Successor Trustee (Not Required): _____

Nominating Guardians for Your Minor Children (if any)

In nominating Guardians for your minor children, the question is this: Should your nominated guardians be the same as your nominated trustees? Some believe that it is a good check and balance for the guardians to be different than the trustees or that some individuals make better guardians than they do trustees. However, imagine if someone asked you to take their children but on the other hand didn't entrust you with managing the money. This would mean the guardian, who is raising the children, would have to ask someone else for money every time they need it for the children. Note: While you may have a married couple in mind as guardians, it may be best to nominate just one spouse (whichever is your priority) because couples don't always stay together.

Check Your Choice Below:

_____ **I Want the Guardians to be the Same as the Successor Trustees**

_____ **I Wish the Guardians to be different from the Successor Trustees Per Below**

First Choice of Guardian: _____

Second Choice of Guardian: _____

Assets Worksheet

Foreword: The purpose of this worksheet is to help provide an overall picture of your asset base. This can often help us better advise you or allow us to spot potential issues. It also helps you to consider and clarify your asset base and review actions that may need to be taken. For varying reasons some are uncomfortable providing dollar amounts (nor can we require you to provide it). **If a dollar amount is not provided we will presume you that you want to keep this information private to yourself.** The choice is yours, but **remember: (1) we cannot advise you regarding information we do not have; (2) we are a law office and by law, we must hold all information in the strictest of confidence and never share it with anyone; and (3) we never engage in selling financial packages or advice.**

Guidelines: We only ask for rough estimates not exact amounts. If you choose to provide dollar amounts, please understand that you only need to provide rough estimates and that these do not need to be exact amounts. **Do NOT confuse retirement plan assets with regular assets.** Many times certain types of assets (such as stocks) are actually part of the portfolio of a Qualified Retirement Plan account and these should be listed under Qualified Retirement Plans (not stocks). Thus, only check "Stocks" and include under "Stocks & Securities" the ones that are NOT part of a retirement account.

Asset Type	Place an "X" if You Own	Action	Total Approximate Net \$ Value (rough estimates)
Real Properties		Execute & Record Deeds to Trust	\$
Qualified Retirement Plans (IRAs, 403Bs, 401Ks, TSA, etc.)		Designate Beneficiaries (Do NOT Title in Trust)	\$
Bank, Savings, CDs, Money Market Accounts (not part of a Qualified Retirement Plan)		Title Accounts in the Name of Your Trust	\$
Mutual Fund Accounts (not part of a Qualified Retirement Plan)		Title Accounts in the Name of Your Trust	\$
Publicly Traded Stocks & Other Securities (not part of a Qualified Retirement Plan)		Title Accounts & Certificates in the Name of Your Trust	\$
Private Stocks & Other Securities (not part of a Qualified Retirement Plan)		Re-Issue Certificates / Title in the Name of Your Trust	\$
Partnership Interests		Assign & Title in the Name of Your Trust	\$
Sole Proprietorships		Assign & Title in the Name of Your Trust	\$
U.S. Savings Bonds		Re-Issue in the Name of Your Trust	\$
Deeds of Trust or Mortgages Payable to You		Assign & Title in the Name of Your Trust	\$
Other Money Owed or Payable to You		Assign to Your Trust	\$
Mobile Homes		Re-Issue Title in the Name of Your Trust	\$
Tax Deferred Annuities		Designate Beneficiaries	\$
Life Insurance (not including accidental)		Designate Beneficiaries	\$
Other Valuable Assets		Assign / Title in the Name of Your Trust	\$
	*	Total → → →	\$

*Note: The value of an estate should include the dollar value of life insurance death benefits.



Real Estate Worksheet

Please Be Sure to Complete & Read Page 1 and Page 2 (the next page or on the on the back of this page)

What is Real Property

Generally, real property is any ownership interest or right to land, whether or not there is a house or building on it. Timeshares, oil and mineral rights are also real property interests. You are generally the full legal owner of your real estate property, regardless of any loans. (The lender simply holds something similar to a lien.)

The Importance of Executing a Deed for Each Real Property Interest That You Own

Whether you own 100% of a piece of real estate or own a part interest as co-owner, if you want your trust to pass the property, it is vitally important that you execute a deed for each whole or part interest, conveying and transferring it to your trust. (This rule also applies to any whole or part interest that you acquire in the future.) This office generally prepares these Deeds on your behalf if you provide the necessary information or we are also able to obtain it on your behalf (see below). As a general rule, all transfers to your trust are exempt from reassessment.

What Documents Do We Need to Prepare Your Deeds

To transfer your real estate to your trust requires a copy of the last transfer document (Deed) showing your current ownership and how you hold title for each property that you own (this includes partial interests). Most importantly, this needs to include what is referred to as the legal description of the property (which is sometimes on a separate page usually referred to as "Exhibit A" on the Deed). ***Also please note that **Deeds of Re-Conveyance will not suffice at all** as they do not provide any of the needed information.***

You Can Provide Your Deeds or We Can Usually Obtain Them for You (\$10 Each if available)

While you are welcome to provide your deeds, it is just a fact that many often end up providing the wrong type of deed or simply cannot find the deed. As an alternative, we can generally obtain deeds for you through the service we use at a cost of \$10 each. This is usually well worth letting us do because we know exactly which type of deed and information we are looking for and it saves you from what is often a lengthy and many times futile search through your own papers. (Please be aware, however, we often cannot access Timeshare deeds.)

Please List Your Real Estate Properties & Choices on The Next Page

On the next page (or backside) you should list (where indicated) the real properties that you own and whether or not you wish us to obtain a copy of the last transfer document (deed).

An Alert About Any Future Refinancing of Property Owned by Your Trust

In any (future) refinance, property is often "taken out of the trust" (and put back into your individual name). Thus, at the close of the refinance process, the real property must be re-titled (put back in) in the name of the trust. **Our advice is to make sure you execute and record a new Deed re-titling the property back to your trust after the close of any financing transaction on the property.** We offer this service.

Please sign below (both spouses if married): By my signature below, I have read, agree to, and understand all the above.

→ **Dated & Signed** (Single or Spouse 1):

→ **Dated & Signed** (Spouse 2):

(Continued on Backside or Page 2)

Please List Your Real Estate & Choices Below:

Column 1: List the full address of each property (if there is no address please describe as best you can).

Column 2: Circle yes or no indicating if you want us to obtain the deed for you (usually \$10 each).

Column 3: Circle yes or no indicating whether or not others are on title.

Column 4: Circle yes or no indicating if you are presently refinancing the property.

Column 5: Please provide a rough estimate as to how much the property would currently sell for.

Column 6: Please provide a rough estimate of the total of any current outstanding loan balances on the property.

(1) Please fill in an Address or other reference to the real estate property	(2) Do you want us to obtain the deed?	(3) Are others on title?	(4) Are you presently re- financing?	(5) \$ Estimate of what the property would currently sell for?	(6) \$ Estimate of the total of any current outstanding loans on the property
	Yes No	Yes No	Yes No	 (\$ Fair Market Value)	 (\$ Outstanding Loans)
	Yes No	Yes No	Yes No	 (\$ Fair Market Value)	 (\$ Outstanding Loans)
	Yes No	Yes No	Yes No	 (\$ Fair Market Value)	 (\$ Outstanding Loans)
	Yes No	Yes No	Yes No	 (\$ Fair Market Value)	 (\$ Outstanding Loans)
	Yes No	Yes No	Yes No	 (\$ Fair Market Value)	 (\$ Outstanding Loans)
	Yes No	Yes No	Yes No	 (\$ Fair Market Value)	 (\$ Outstanding Loans)



Client Checklist

PLEASE COMPLETE BOTH PAGE 1 AND PAGE 2 ACKNOWLEDGING THE FOLLOWING:

(1) CURRENT REPRESENTATION CONFINED TO LIVING TRUSTS: You acknowledge that you have currently engaged us for a living trust only and no other estate planning or legal services. Any other legal services require a separate signed engagement letter setting forth the agreed to expectations, engagement and scope of representation. Absent such, you acknowledge that you have not engaged us for, nor is there currently any expectation for any other estate planning or other legal activities, such as advanced or international estate or tax planning, irrevocable trusts, life insurance trusts, charitable trusts, elder care, Medicaid planning and trusts, (family) limited partnerships, or asset protection plans, etc. You also agree that once your trust is completed (or if you cancel your appointment, or if you do not follow through or agree to proceed) that we have concluded all matters that you engaged us for.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(2) ESTATE TAXES: Probate fees and estate taxes should not be confused with each other. Though a living trust can avoid probate, it cannot avoid death and estate taxes if your estate exceeds the amount you are allowed to pass tax-free. Currently, each U.S. person can pass \$5+ Million estate tax free (and a U.S. Citizen surviving spouse up to \$10+ Million estate tax-free). **Warning: If you are NOT a legal U.S. Resident, you can only pass \$60,000 (sixty-thousand dollars) estate tax-free.** If you anticipate that your estate will exceed the amount you can pass tax-free, you may want to seek additional legal advice on potential "advanced estate planning" strategies.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(3) LEGAL ADVICE AT DEATH: Although a living trust can eliminate a great deal of expense and hassle at death, this does not mean nothing has to be done. Shortly after anyone dies, it is vitally important to seek legal guidance to ensure meeting necessary legalities, and to help preserve and utilize available protections, abilities to disclaim, tax options, and other benefits. We do offer legal guidance at death but you are under no obligation to use us.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(4) A REVOCABLE, AMENDABLE TRUST: While alive, you can revoke your trust or amend (change) your trust anytime, but please be warned that you must observe the necessary formalities (and that writing on your document or striking out words do not constitute a valid amendment). Since almost all self-prepared amendments we have seen are invalid or ambiguous, we strongly advise utilizing a competent attorney. (We do offer these services.)

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(5) IMPORTANCE OF TITLING YOUR ASSETS IN YOUR TRUST: It is your responsibility to make certain that your current and future assets are titled in the name of your living trust. Proper wording is set forth on the first page of your trust. Qualified retirement plans (IRAs, Keoghs, 401Ks, 403Bs, etc.) are the one major exception and **should not be titled in your trust** (though, like life insurance, you can designate beneficiaries). More details are in the handout entitled "Titling Your Assets in the Name of Your Trust" -- which you **hereby agree to read and refer to in these regards**. Please be advised that our beneficiary designation guidelines are from a trust administration and management point of view and do not necessarily coincide with optimal tax strategy (especially if any beneficiary of your trust is a non-person such as a charity). It is possible that pursuing different beneficiary designation strategies will provide more optimal long term tax advantages, which is why we advise discussing this with a professional tax advisor versed in the intricacies of qualified retirement plans. We do not advise on this.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(6) CHANGING ASSETS IS NOT CHANGING (AMENDING) YOUR TRUST: Acquiring or disposing of assets in the name of your trust is not considered an amendment nor does it normally necessitate one unless you wish to change the actual terms of the trust itself (i.e., to gift that new asset to a certain person). However, if your trust names a specific asset or account to go to someone and you sell or dispose of it, then you should amend your trust to deal with the fact that such asset no longer exists. Failure to address this can cause many problems.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(7) GIFTS TO CARE CUSTODIANS REQUIRE CERTIFICATE OF INDEPENDENT REVIEW: If you are leaving a gift or part of your estate to a caretaker / care custodian / or any person that could be argued is functioning in a caretaking role, then you must obtain a "Certificate of Independent Review" [pursuant to Probate Code 21351(b)] from a lawyer outside of this office or you risk the gift being invalidated. This law is designed to help protect dependent adults from fraud, duress, or undue influence from caretakers.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(8) TITLE ISSUES: 1) While it is safe to say the service we use and efforts we make to determine current title to real property are usually accurate (as we have never had a known problem in 28 years), it should not be construed in any way as full title research and absolute guarantee as to accuracy of title or property descriptions. (For that you should consult a real estate attorney.) 2) Anyone else named on a deed is considered a legal owner. If that is not the intent (or their percentage needs clarifying), we advise you to "clear this up" using the services of a qualified real estate attorney and tax professional (as this process done correctly is complex). 3) Though in 28 years we've never once seen this become an issue, we must officially advise you to check that your title insurance coverage extends to your trust. Most post-1998 title insurance policies do and if not, many title insurers will add a trust endorsement for free or a nominal fee.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(9) TRUST ORIGINALS & COPIES: At no time does our office ever maintain the originals of your documents – those are in your possession and thus we highly advise taking steps to safe-keep your document originals.

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(10) PRUDENCE DICTATES PERIODIC REVIEWS OF YOUR ESTATE PLAN: Time often erodes and "detunes" any estate plan. Like most experienced professionals, we advise a review every three years but the given pace of events and/or change of circumstances can accelerate or decelerate the need. Yet, since we can't track each client's life or predict future law changes, we therefore advise following the three-year rule of thumb (or sooner if there is a major change in circumstances). You are also advised to immediately seek the advice of and **update your estate plan with a qualified attorney upon any change in marital status.**

→ (Single or Spouse 1 Initials) _____

→ (Spouse 2 Initials) _____

(11) AGREEMENT TO KEEP YOUR CONTACT INFORMATION CURRENT: It's possible we may need to contact you about something important. Thus, **you hereby agree 1) to hold us harmless for any result of any failure for you or your representatives to update your information and 2) that any letters sent to the last address provided to us shall constitute diligent and reasonable effort to contact you or your representatives.**

EXECUTION: It is understood that the items covered in this document are not to be construed as limiting or covering everything which was explained or discussed. By my signature, **whether or not a paragraph is individually initialed**, I have read, agree to and understand all the points and paragraphs covered in this 2-page document.

→ **Dated & Signed** (Single or Spouse 1): _____

→ **Dated & Signed** (Spouse 2): _____



THE IMPORTANCE OF TITLING ASSETS IN YOUR TRUST

Client Golden Rule: Current and Future Assets Should Be Titled in The Name of Your Trust (Except Qualified Retirement Plans). If you want your trust to pass your assets, then you must formally title them in the name of your trust. Always remember and follow that simple rule because it is key to your trusts' functionality and avoiding probate. Titling your assets in your trust is not difficult and on average it takes about 20 minutes per asset or account. Whatever time it takes, when you compare it with the expense and hassles of a one to two-year probate, it isn't hard to understand why it is well worth your time and effort.

When you title assets in your trust, nothing really changes other than how you hold title. You maintain complete control and ownership. You can still do anything you want with your assets. Everything remains under your social security number and you still file and report all your taxes just the same as before. Your account numbers don't change, your property taxes don't change, how you sign doesn't change, even your checks don't change. Simply put, life goes on the same.

The correct wording for titling assets will be displayed in large bold letters on page one of your trust. It sets forth the three essential elements for proper trust titling: 1) the names of the trustees – you; 2) the name of the trust -- typically your last name; and 3) the date of the trust. Your trust will read like this: **John Smith and Mary Smith, trustees of the Smith Trust, dated May 1, 2016.**

You'll find that most institutions are very helpful with titling assets in a trust but be aware that they each differ slightly in their procedures, so always ask each one separately what they need. **Start by furnishing a copy of page 1 and the signature page of your trust** as this provides legal proof of its existence as well as the exact trust titling wording.

If you are asked to fill out a form, remember the answer is most often your name and your spouse's name if married. For example, **you are the settlor, the grantor, the trustor, the current beneficiary and the current trustee.** They may ask about successor trustees and of course, that is whom you named in your trust to take over if something happens to you.

Sometimes the forms will also ask if certain actions are authorized in your trust. In short almost anything anyone asks about is usually already spelled out in the trust. Additionally, you are empowered to authorize anything you want, meaning there is really no need to scour your trust looking for enumerated powers. Simply answer such questions in the way that best suits your preferences and consider that your authorization.

For a more detailed discussion of this topic, be sure to review the downloadable handout called "The Importance of Titling Your Assets in the Name of Your Trust." There you will find most types of assets individually discussed from stocks to bonds, bank accounts, mutual funds and more. Again, do not make the mistake of thinking this process to be a legally technical task. It is not.

Also be sure to review the separate handout on **Beneficiary Designation Strategies for Life Insurance & Retirement Accounts** (this handout is sometimes on the backside of this page).



Beneficiary Strategies for Life Insurance & Retirement Accounts

Though you should never title Qualified Retirement Plans in your trust, both **retirement plans and life insurance can easily bypass probate because you can name direct pay beneficiaries**. This is usually done on a beneficiary designation form where you generally name a **primary beneficiary and a secondary, contingent, backup beneficiary**. It is likely most of you have already done so, but for many reasons we advise that you 1) double check this, 2) make sure such designations are up to date, and 3) to finally consider whether or not you might want (after your spouse) to designate your trust as the beneficiary -- especially if you have young children or potentially immature beneficiaries.

Remember, **your trust allows you to control the management and terms of distributions until beneficiaries reach the age you specify** and this helps ensure the funds are used on expenditures like health, education and living expenses instead of exotic cars. If you have minor children, the need for management of such funds is obvious, yet most of us don't like the idea of an 18-year-old being handed a half a million dollars of cash either.

Some other arguments for designating your trust as beneficiary are that it consolidates management and distribution of your estate under a common umbrella for collection, disbursement, taxes, bill paying, and other matters -- plus your trust tends to deal more comprehensively with alternate beneficiaries in case your first choice does not survive you.

Tax Considerations Can Sometimes Compete with Management Considerations: It is possible that pursuing different beneficiary designation strategies with qualified retirement plans (instead of naming the trust) can yield more optimal long term tax advantages (especially if any beneficiary of your trust is a non-person such as a charity). This, however, is a highly complex analysis involving many factors beyond the scope of this discussion and is something that should be discussed with a professional tax advisor versed in the intricacies of qualified retirement plans. (We do not advise on this.) Our beneficiary designation guidelines are from a trust administration and management point of view and do not necessarily coincide with optimal tax strategy.

On balance, many decide trust management of the death benefit is the overriding consideration and if that is your choice (as it is with many), most married couples tend to leave their spouse as the primary beneficiary and name the trust as the secondary beneficiary -- while "singles" often name the trust as the primary beneficiary. The choice is yours!

Identifying a Qualified Plan: Most seem to share the following characteristics: 1) Any amounts funneled into it are deductible from your taxable income. 2) Income and growth in the account are not presently taxed. 3) You are only taxed on the amounts withdrawn. (Theoretically occurring only after retirement when you are in a lower tax bracket.) Sometimes there are plans that are part qualified and part unqualified. For estate planning purposes, practicality dictates treating such plans as if all parts were qualified (relying on the beneficiary designation).

Don't confuse retirement plans with pensions. Pensions typically cease at death, and since there is nothing to pass on, there is typically nothing to do other than to make sure your spouse receives any continuing payments to which they may be entitled. Yet some plans are part pension and part retirement plans in which case you still need to designate a beneficiary to receive the remainder.