

# Gagley Law Group, LLP

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## Estate planning charges as of May 21, 2015

An estate planning conference is charged at an hourly rate of \$275.00 (billed in increments of 1/10 of an hour), if no documents are ordered of equal value. The fee is fully credited to the cost of the estate planning documents if ordered at the time of the conference.

\$250.00	Simple Will
\$400.00	Simple Will, for both spouses/partners when they are substantially similar documents.
\$400.00	Simple Trust Will - usually drafted to provide for control of children's assets to avoid expensive guardianships and provide control beyond a child's 18th birthday.
\$500.00	Simple Trust Will for both spouses/partners when they are substantially similar documents.
\$ 50.00	Health Care Directive (living will)
\$ 100.00	Community Property Agreement (this document is recommended only for some couples).
\$125.00	Health Care Durable Power of Attorney
\$175.00	Health Care Durable Power of Attorney for both spouses/partners when they are substantially similar documents
\$125.00	Durable Power of Attorney, primarily for asset and debt management
\$175.00	Durable Power of Attorney for both spouses/partners when substantially similar documents

The fee for complex estate planning involving credit shelter trusts, marital trusts, living trusts and life insurance trusts varies depending upon your individual needs. Credit Shelter Trusts, Special Needs Trusts and unfunded Living Trusts start at \$950 (\$1,250) for both husband and wife, if substantially similar.)

Yours very truly,

Gagley Law Group

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Dear Client:

Congratulations on your decision to confront estate planning. Once done, you and your loved ones should experience peace of mind. This letter will give you answers to some of your questions about estate planning and the services offered by our office. This letter discusses most of the areas which concern our clients, but is NOT intended to take the place of a thorough analysis of your needs by an attorney. Your financial statement requested in the information form is very important to properly plan for death tax savings. How you now have your assets titled is critically important so we can explain how to avoid confusion for your heirs. Our goal is to help you keep your estate plan simple and affordable, yet complete. To accomplish this goal **please fill out the information form as completely as you can, and bring it to our first conference.**

1. **Who we are.** David A. Gagley has been in active law practice since being licensed by the Washington State Supreme Court in November 1973. Robert C. Iddins has been active in law practice since 2005. Dana Hiatt is a paralegal and has worked with David A. Gagley since 1993.

2. **Legal Representation/Conflict of interest waiver.** If you are a married couple, you are advised that each of you should consider separate legal counsel. By filling out the questionnaire contained within this estate planning packet, you are each confirming that you have requested and consented to the attorney's joint representation of both of you in connection with the preparation of your Wills and your general estate plan. You also agree that communications and information that are received from either of you that is relevant to your Wills and estate plan will not be kept confidential from the other.

3. **Documents and Asset Titling.** There are several documents to be considered while planning your estate: Will, Health Care Directive (sometimes called a living will), Durable Power of Attorney, Special Medical Power of Attorney, and a variety of different trusts. Additionally, you can title assets with the use of tools such as beneficiary designations on insurance policies and pensions, joint tenancy with right of survivorship common to bank accounts, motorized vehicles and real estate, and payable on death and transfer on death designations common to securities such as stocks and bonds. You can also title assets in a Trust during your lifetime, but that can be expensive and complicate your life. These documents and other estate planning needs are generally discussed later in this letter. You may need some or all of these documents, or others we may recommend. For most people, the Will is the document that expresses their intent on who gets what. Unfortunately, the law often gives other documents priority over the Will if there is a conflict. IRA and retirement plans should have named individual beneficiaries to achieve the best (delayed) income tax treatment for your heirs. This is awkward in the case of young or spend thrift heirs who you would rather designate a trustee of a trust to receive and manage the retirement assets. You can accomplish both goals of delaying tax and maintain control with a concept currently known as "Conduit Trust". The "Conduit Trust" is neither easy nor inexpensive presently. Hopefully, Congress will direct the IRS to a simpler solution. **Make sure all these estate planning tools are consistent, leaving no room for disagreement as to your intentions.** The Will is the hub of your intentions and the backbone of an estate plan, however there are alternative methods to pass assets and to

provide asset control in another person in the event you are unable to do so. Toward the end of this letter we take closer look at these documents, but by no means is it exhaustive of those topics.

4. a) **Estate Tax Planning.**

There is no longer a Federal Estate Tax imposed when property is transferred from one spouse to the other, whether by gift during life or inheritance, provided each is a U.S. Citizen. However, your children or other non-charity persons will be taxed if the total estate exceeds \$5,430,000.00 in 2015 for the USA Federal Estate tax. The State of Washington taxes estates to people other than your spouse or domestic partner and charities over \$2,054,000.00. This is the “credit” equivalent each person has. **Tax laws can and do change, so you need to stay informed. Please read our news articles on our website [gagleylaw.com](http://gagleylaw.com).**

Each year you and your spouse each may give up to \$14,000 per person without filing a gift tax return and without these gifts reducing your unified lifetime and gift credit. Advanced tax planning tools include Family Limited Partnerships, Limited Liability Companies, Irrevocable Life Insurance Trusts, Generation Skipping Trusts, Charitable Oriented Trusts and charitable gifts. Estate plans utilizing these tools will require a team effort from specialized professionals in these fields, but can be discussed generally to see if you could benefit.

b) **Charitable Gift Planning.** Charitable gifts are encouraged as the “Right thing to do” and are deductions for your estate. For example, if your estate was 5.0 million and only 2.0 million was exempt from State of Washington estate tax you could designate your favorite qualifying charity(ies) to receive the amount of your estate over 2.0 million. Your estate would avoid estate tax but your children might not be pleased.

5. **Life Insurance.** Life insurance is used to help support people dependent upon you after you die, and to pay death taxes. Term life insurance is usually the cheapest type of insurance when you are young and have children whom you are supporting, but the cost of term insurance increases the older you get. Pure term life insurance has no cash value. Whole life and endowment life insurance are more expensive, but accumulate a cash value. Know what you need, what you are buying and what you are paying for it before you purchase a life insurance policy. In recent years, it has become important to determine the financial health of your insurance company due to insolvencies. With this in mind, the cheapest insurance is not always the best. Ask your insurance agent what rating your company has from at least two rating companies and accept only a top-rated company.

6. **Death Benefits.** Various financial death benefits may be paid to your family or your estate after you die by your employer, the Social Security Administration, your union or fraternal lodge, or as a result of your military service. Find out what benefits your family is entitled to and what documentation your family must provide to receive those benefits. Gather the required documentation now and keep it with your other estate planning documents. Discuss the benefits with your family. Doing all this now will greatly assist your family in receiving the benefits quickly and without hassles and legal expense after your death.

7. **Preplanned Funeral and Burial Arrangements.** We recommend that you discuss your desires about the disposition of your body after your death with your family before you die. Plan and make decisions now, rather than have your survivors make the decisions when upset. This will save money, emotional stress, and will help ensure that your wishes are followed. If you purchase a grave plot or mausoleum crypt, be sure you purchase endowment care. If you choose to be cremated, your family can rent a casket for display of your body. Your cremated remains can be permanently placed in a small cemetery plot, a crematory, a columbarium niche, or given to your family without question. You may wish to join a memorial association. Embalming is optional, even if you are not cremated. Whatever you do, be sure you read the fine print, shop around, know what you are buying and at what cost, and buy what you want, not what someone else tries to sell to you under pressure.

8. **Gifts to Minors.** You and your spouse may each give up to \$14,000 per year, plus certain educational and medical expenses, to each of your minor children, free of state and federal gift taxes. A person you designate, usually you or your spouse, manages the gift until your child is 18 or 21, if you use the gifts to minor's law procedures. There are also specialized education savings accounts authorized under IRC 529.

9. **Safe Deposit Box.** We recommend that you keep all your important documents, including wills, other estate planning documents, all insurance policies and marriage, divorce and birth certificates in a safe deposit box. This way, your important documents will not be inadvertently lost or destroyed. Your safe deposit box can be opened by any person after your death who you have authorized in writing (during your lifetime) to have access or it can be opened by court order. We do not recommend keeping your important papers in your car, in a strong box, or any other place in your home, unless such a home depository is secure against theft and fire.

10. **Organ Donations.** You may designate that all or specified parts of your body be used for medical research or transplantation after your death. The simplest way to do this is to utilize the form on the back of your driver's license.

11. **Durable Power of Attorney.** A Power of Attorney is a legal document that authorizes another person to act on your behalf in the management of your legal and/or personal affairs. It can be general or specifically limited. It can be made effective upon signing or upon certain conditions, such as your disability. A Power of Attorney avoids the necessity of utilizing a guardianship proceeding, posting a bond and making annual court accountings as to the disposition of property. The competent spouse or third party is a fiduciary and must act as an ordinary reasonable person making prudent decisions would act. The effectiveness of the Power of Attorney terminates upon knowledge of death or written revocation.

12. **Health Care Directive (Living Will)** A Health Care Directive is a legal document that takes effect when you become terminally ill or injured, and may be revoked by you at any time. It is sometimes called a Living Will. If the application of life-sustaining medical procedures would only artificially prolong the moment of your death, and if your death is imminent, then the Directive authorizes your attending physician to disconnect the life support systems and allow you to die naturally. Perhaps most significantly, it takes the decision burden away from family members. You can choose to have food and water withheld. We do not recommend withholding hydration to deliver pain medications, so we modify the standard forms to promote comfort care. For individuals with a terminal illness we can discuss the POLST as an alternative to the Living Will.

13. **Health Care Durable Power of Attorney.** This is a strongly worded Power of Attorney giving power to a close friend or relative (usually, but not necessarily) who will fight, if necessary, to control your medical care treatment. The Health Care Directive should be adequate, particularly when a Durable Power of Attorney is executed. However, the Health Care Power of Attorney is for the client who believes strongly in cessation of heroic treatment, or has real fears of family member(s) or a reluctant treating physician from honoring the client/patient's wishes.

14. **Long-Term Care/Elder Law.** This topic usually is a major concern of clients and leads to a discussion as to whether or not they should purchase long-term care insurance or self-insure the risk of long-term care in a nursing home or elsewhere. The Deficit Reduction Act which became law May 6, 2006 in Congress and the rules adopted by the State greatly reduced Medicaid (a form of welfare) as an option for people with assets. The Rules in this area of law change often. We would be happy to discuss this topic in our conference in light of your particular circumstances.

15. **Digital estate planning.** This topic applies to those of us who use electronic means to invest, pay bills, have on-line sales/purchase accounts, lease domain names and all forms of intellectual property that could be lost if not known to your agent in your power of attorney or personal representative/trustee in your Will or Trust. Please do a complete inventory of all digital accounts and assets. Assemble a list of passwords. Select a technology capable agent for your power of attorney and Will/Trust who you will give access to your checklist. We recommend the checklist be safely saved in your safety deposit box or home safe. Your Digital assets checklist should include the following and perhaps more categories of digital data to fit your particular circumstance and new technology that becomes prevalent:

- a. Home security systems/codes;
- b. Smart phones, social network accounts and web pages and blogs;
- c. Computers and cloud storage of data;
- d. Voice mail, video games, virtual worlds and email accounts;
- e. Intellectual-property rights and domain names;
- f. Financial account and tax records and
- g) A list of the passwords for access to your digital world.

### **DISCUSSION OF DOCUMENTS IN THE HUB AND SPOKES**

16. **Will.** A will is a legal document that takes effect when you die. You should have a will to: (a) designate who should receive your money, possessions and property, (b) designate who should carry out your wishes (personal representative or executor), and (c) reduce the death taxes that your heirs must pay. A will is also intended to reduce family disharmony and reduce legal expenses. A will does not usually eliminate the need for probate, but if properly drafted as a non-court intervention will, should dramatically decrease the cost of probate. In most estates here in Washington State, a non-intervention will probate is less costly and safer than no probate via a living trust which you have to live with daily and pay for immediately. Even if you invest in probate avoidance documents such as a living trust or utilize “payable on death” or joint tenancy with right of survivorship” titling methods and the like, you should have a will. Because of the confusion over Probate costs we have developed over the past 15 years a flat fee probate agreement to give you a method for comparison.

a. **Heirs.** The children will naturally be the primary heirs in most wills. Special provisions in your will are required if you do not want some or all of your children to inherit your estate. To avoid disharmony in the family, it is recommended your children receive equally absent extra ordinary circumstances.

b. **Personal Representative/Executor/Trustee.** Your personal representative manages your estate after your death until it is distributed to your heirs or trustee. The personal representative also ensures that your wishes as stated in your will are carried out. A personal representative may be any competent person over age 18, not a felon and may reside out of the state (if he or she appoints an in-state agent), or may be a bank. If you do not designate a personal representative in your will, a court will have to decide who will be your personal representative with no guidance from you as to what is best for your heirs. In a living trust, you appoint a trustee to do the above tasks. Acting as a Personal Representative and Trustee can be a challenging task. This person has to potentially deflect the unreasonable demands of children and guardians and be held to a reasonable prudent investor standard as a fiduciary. The more money that is held the wiser it becomes to name an institutional (Bank’s trust departments) trustee, either alone or in conjunction with a family member. The trustee may be compensated by the trust and hire experts, such as attorneys, accountants, brokers and financial planners, as needed.

c. **Guardian/Children’s Trust.** If your children are under 18 years of age they are legally incompetent and cannot legally manage the assets they will inherit from you or raise themselves. A guardian raises your children and, absent a trust, manages their money until they are 18 years of age at which time they may receive their inheritance. If you have a trust for your children, you may wish to name the same person to act as guardian to raise the children and trustee to manage their funds, or name different individuals for these tasks. You may also control the age at which the trust will be distributed, for example, half at age 25, half at age 30. You would normally give your trustee discretion to pay for

education, health care and welfare during the trust administration. If you do not designate a guardian in your Will, a court will have to decide who will be your children's guardian with no guidance from you as to what is best for your children. Your child's guardian will likely be his/her natural parent unless both parents are dead. If you are divorced, and do not want your ex-spouse to manage the assets your children inherit from you, special trust provisions are required. If you do not want your children to receive all their inheritance on their eighteenth birthday, special trust provisions are required. Simple trust wills are recommended for this common concern. A guardian may also be appointed in the trusts discussed below. Whenever you name a guardian ask their permission first. Communicate what you expect of them as a surrogate parents and what they expect in return from the trustee.

d. **Items of Personal Property.** You may have specific wishes about how your items of sentimental personal property should be divided. It is impractical to cover all this in your will. We suggest that you fill out our form titled "Specific Gifts of Tangible Personal Property" and keep this with your Will. This procedure is legally enforceable if so provided in your will. It also enables you to change your mind and update your list without having to execute a new will.

16. **Trust/Living Trust.** A trust is a legal document that provides for the management of your assets according to your wishes. It may be a separate document or part of your will. A trust instrument may be used during your lifetime to manage your property (a living trust), but most often after your death to provide for the management of assets as you wish for a spouse, handicapped children, or children and grandchildren, even after they reach age 18. A trust may be revocable or irrevocable. Some trusts such as a life insurance trust and charitable remainder trusts, must be irrevocable to gain favorable tax treatment. You alone, or if you are married, you and your spouse may manage your property owned by a living trust. This device is very useful (1) if you own property in more than one state; (2) if you presently want a manager (trustee) of your property other than yourself or you expect to need greater protection from Disability than a Durable Power of Attorney gives; (3) as a method to segregate inherited or pre-marriage separate property from community property acquired in a new marriage; or (4) as a limited protection against creditors. Absent unusual circumstances such as described above, you will probably find the inconvenience, cost and confusion surrounding placing and keeping all your assets in a living trust (funding) undesirable. Since it is the "funding" that makes the Living Trust undesirable in most instances, an estate plan that utilizes a will during a person's most active asset-acquiring years and an unfunded living trust for later years when the person is less active in buying and selling assets is more popular. Thereafter, if you bought your vacation property in Arizona, you would purchase it in the name of the trustee of the living trust and avoid a probate in Arizona. Remember that you can accomplish the same goals with JTWRWS, POD, TOD, and beneficiary designations.

17. **Community Property Agreement.** All property acquired by you and your spouse during the marriage while living in a community property state, with certain limited exceptions such as property acquired by a gift, inheritance or income from separate property, is community property. Washington is a community property state. If you are legally married, you and your spouse may declare, in a written document, that all your property is community property, that all property you or your spouse acquire in the future is community property (even though the law would designate it as your separate property without this agreement), and that when the first spouse dies, the surviving spouse receives all of the community property. The agreement offers the advantages of simplicity and avoidance of probate. Even though you have a Community Property Agreement, you should still have a Will. The Agreement has the disadvantage of only being revocable by signing a written revocation agreement with your spouse, and may have adverse inheritance tax consequences if you have a larger estate. To take advantage of the first to die spouse's exemption equivalent credit (as discussed at paragraph 4) we recommend the surviving spouse use a Family Credit Shelter Trust in a will or living trust instead of using the Community Property Agreement. We are commonly using community property agreements with the power to disclaim outright, disclaim to a credit shelter trust or revoke for long-term care purposes. A Will is valid in every state. A Community Property Agreement may not be. In the event of a divorce, some Community Property Agreements (usually those drawn prior to 1977) have been ruled by Washington courts as a

present gift of separate property to the spouse. **A Community Property Agreement should not be executed without a lawyer's advice, and if you had a Community Property Agreement prepared in the past, it should be reviewed.**

18. **Joint Bank Accounts.** Depositing money in a joint bank account can be risky and does not necessarily mean that the surviving joint owner will receive all the money upon your death, EVEN if the account is joint with "right of survivorship". The question to be determined is whether you intended a gift or merely used this format as a convenience. Special legal documents are required if you want to maintain control and use of money you want someone else to have when you die. Designate this by "payable on death" (POD) or "transfer at death" (TOD) on forms available from your bank. If you have a Durable Power of Attorney and a will, we usually advise against creating risk of confusion with joint bank accounts, except involving long time married couples.

19. **Review.** Your estate plan should be reviewed when you marry, when you first become a parent, you lose a spouse through death or divorce, your individual net worth, including death benefits, is large enough to incur federal estate tax liability, you move to another state or country, when you want to change any part of it. We advise you keep a copy we provide for you of your estate planning documents in a large envelope we provide for that purpose in your tax file. The following year you will simply move the envelope to the next year's tax file and in this simple procedure you will think of your estate plan at least once a year. PLEASE DO NOT mark up any original document we prepare for you without discussing the change with a lawyer first.

20. **Thank you.** We appreciate the opportunity to provide estate planning services to you, and applaud your choice to make these decisions now. Please fill out the client information form that you have been given as completely and accurately as possible. Thank you for your trust and confidence in us.

Yours very truly,

Gagley Law Group

*This Space for Office Use Only*

_____ Simple Wills	_____ Durable Power of Attorneys	_____ CPA (3 Prong)
_____ Simple Trust Wills	_____ Health Care Directives	_____ Health POA
_____ Credit Shelter Trusts	_____ Intentional Clarification	_____ Conflict of Interest
_____ Marital or Spend Thrift Trust	Notes: _____	
_____ Special Needs Trust	_____	
_____ Revocable Living Trust	_____	
_____ Pour-Over Wills	_____	

**ESTATE PLANNING QUESTIONNAIRE  
CONFIDENTIAL**

This information is requested to provide us with basic background data, and to help us focus in on specific areas of estate planning in order to tailor a plan that will best serve your needs. The financial net worth portion doesn't need not be exact values, but rather your best estimate so if necessary, we can recommend estate tax avoidance measures. **SECTIONS A-D ARE THE MOST IMPORTANT SECTIONS TO BE FILLED OUT BY YOU PRIOR TO THE INITIAL MEETING. YOUR BEST EFFORT IS RECOMMENDED IN FILLING OUT THE REMAINING SECTIONS, BUT DO NOT CAUSE IT TO DELAY YOUR VISIT SHOULD IT BECOME COMPLICATED. WE CAN HELP WITH SUGGESTIONS AS TO NAMING PEOPLE OR ENTITIES TO ACT AS FIDUCIARIES (AGENTS) OR WITH OTHER QUESTIONS YOU HAVE.**

**In the event that you are a married couple, your filling out this questionnaire constitutes a waiver of conflict of interest in requesting The Gagley Law Group to represent both of you. We will discuss this topic more thoroughly in the conference. It is also mentioned in the "Dear Client Letter" that you received along with this Questionnaire.**

How did you find out about our office? \_\_\_\_\_

**A. PERSONAL**

(PLEASE PRINT/ NAME **EXACTLY** HOW YOU WANT IT TO READ IN YOUR WILL)

	Your information	Your spouse or Partner information
1. Name	_____	_____
	(First Name Middle Last)	(First Name Middle Last)
2. Address	_____	_____
	_____	_____
3. Home Phone	_____	
4. Work Phone	_____	_____
5. Marriage or Partnership Date	_____	_____
6. Email	_____	_____
7. Citizenship (important, as different tax rules apply for non-U.S. citizens)	_____	_____

**B. PRIOR MARRIAGES (if applicable)**

	Husband	Wife
8. Former Spouse	_____	_____
9. Obligations to or from Former Spouse	_____	_____
10. Child Support	_____	_____
	Does this child support obligation survive your death? How? (Important, as many child support orders require support beyond death. Please bring the Order with you for review.)	
11. Spousal Maintenance/ Property Award	_____	

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(If this obligation survives death, please provide a copy of the Order)

**C. CHILDREN**

12. Living Children:

Name \_\_\_\_\_

- Adult or Minor \_\_\_\_\_ Birthdate, if a minor \_\_\_\_\_
- Child of \_\_\_\_\_ this marriage or
- Child of \_\_\_\_\_ prior marriage
- Child of \_\_\_\_\_ (Insert HUSBAND OR WIFE)

Name \_\_\_\_\_

- Adult or Minor \_\_\_\_\_ Birthdate, if a minor \_\_\_\_\_
- Child of \_\_\_\_\_ this marriage or
- Child of \_\_\_\_\_ prior marriage
- Child of \_\_\_\_\_ (Insert HUSBAND OR WIFE)

Name \_\_\_\_\_

- Adult or Minor \_\_\_\_\_ Birthdate, if a minor \_\_\_\_\_
- Child of \_\_\_\_\_ this marriage or
- Child of \_\_\_\_\_ prior marriage
- Child of \_\_\_\_\_ (Insert HUSBAND OR WIFE)

Name \_\_\_\_\_

- Adult or Minor \_\_\_\_\_ Birthdate, if a minor \_\_\_\_\_
- Child of \_\_\_\_\_ this marriage or
- Child of \_\_\_\_\_ prior marriage
- Child of \_\_\_\_\_ (Insert HUSBAND OR WIFE)

Name \_\_\_\_\_

- Adult or Minor \_\_\_\_\_ Birthdate, if a minor \_\_\_\_\_
- Child of \_\_\_\_\_ this marriage or
- Child of \_\_\_\_\_ prior marriage
- Child of \_\_\_\_\_ (Insert HUSBAND OR WIFE)

**D. ESTIMATED FINANCIAL STATEMENT**

It is very important to know whether any of this property is titled as Joint Tenants with Right of Survivorship (JTWRs), Payable on Death (POD), or other beneficiary designation. It is also important to note if any assets have not yet been taxed (Example: IRA's.) The **“How Titled”** box below is where you indicate how the title is held in the case of real estate and if there is a present beneficiary, please use the abbreviations suggested above.

	Present Value	How Titled
a) Real Property	\$	
b) Stocks/Bonds	\$	
c) Checking/Savings	\$	
e) Life Insurance	\$	
f) Retirement ( examples-IRA, 401k, 403b)	\$	
Other	\$	
Other	\$	
g) Miscellaneous Property(including furniture, furnishings, antiques, automobiles, boats, jewelry, collectibles, etc.)	\$	
Subtotal	\$	
LESS Liabilities	\$	
Approximate Net Worth	\$	

Please identify any property you own which is situated outside of the State of Washington:

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**E. TENTATIVE WILL PROVISIONS TO BE DISCUSSED WITH ATTORNEY**

(Please ask people before naming them)

13. Personal Representative (administers will during probate).

1st choice: \_\_\_\_\_

(If married) surviving spouse, except in rare circumstances

2nd choice: \_\_\_\_\_

3rd choice: \_\_\_\_\_

14. GUARDIAN (raises children who are not yet 18).

should name an alternate, in case both parents become deceased. The guardian should be a responsible family member or friend, with whom you have consulted prior to naming, and whom you trust to make parenting choices in the best interest of your children.

1st choice \_\_\_\_\_  
(Normally other parent)

2nd choice: \_\_\_\_\_

15. TRUSTEE for Children's Trust (manages estate for benefit of beneficiaries). NOTE: The trustee does not have to be the same person as the Guardian, and for obvious reasons, you may want to name two different people.

In a simple trust will, we assume both parents are deceased, so you are choosing a responsible family member or friend. Please ask this person for his/her permission and make your choice only on the basis as to what is best for your children.

For very large estates, we recommend a professional trustee with or without a family member as a co-trustee.

1st choice: \_\_\_\_\_

2nd choice: \_\_\_\_\_

16. Distribution of Trust Estate.

This is a most important consideration. Generally, we recommend that your trustee have discretionary power to pay for health, education and welfare (child support) to your guardian until your child is age 18, and then directly to your child until your child is age 25, at which time the balance in the trust would be distributed to your child outright. You can be more specific if you choose, change the age of outright distribution if you choose, or provide for half or some other percentage of the remaining trust to be distributed at a certain age and the remainder at a later age(s).

Age of child before distribution: \_\_\_\_\_

If child predeceases, to child's children (if any)? \_\_\_\_\_

#### **F. DEPENDENTS**

17. Are there any persons (other than minor children) who are partially or wholly dependent upon either husband or wife for support now, or in the future? Are there any children or beneficiaries who are disabled? \_\_\_\_\_

**G. PLANNING OBJECTIVES AND PRIORITIES**

18. Please describe any significant planning objectives or priorities you may have. Who do you want to be the primary and secondary beneficiaries of your estate?

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19. Have you considered charitable giving? If yes, indicate your preferences so that we may discuss your options. Also; please provide the charity's exact name and address.

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**H. INTERSPOUSAL AGREEMENTS**

20. Have you ever had a Community Property Agreement?  
 Yes       No

Have you ever had a Prenuptial Agreement?  
 Yes       No

21. Have you ever executed any other agreements between present or former spouses regarding your property?

Husband:  Yes       No  
Wife:       Yes       No

22. Please furnish a copy of any agreements referred to above.

**I. TRUSTS**

23. Does any member of your family receive income from a trust?  
 Yes       No

If yes, who created the trust? \_\_\_\_\_

24. Have you ever created a trust, except as part of a will?

Husband:  Yes  No

Wife:  Yes  No

If yes, give details. \_\_\_\_\_

25. Does any family member expect to be named a beneficiary or remainderman of a trust?

Yes  No

If yes, give details. \_\_\_\_\_

26. Please furnish copies of all instruments relating to the trusts, as well as a current list of assets and statement of income.

### J. INSURANCE

27. Are there any life insurance policies in existence on your life?

Husband:  Yes  No

Wife:  Yes  No

If so, please provide information regarding:

Name of Company(ies) \_\_\_\_\_

Type of Insurance \_\_\_\_\_ Pol.# \_\_\_\_\_

Amount and Cash Surrender Value, if any: \_\_\_\_\_ (mention if accidental death or double indemnity features)

Designated Beneficiary(ies) \_\_\_\_\_

Policy of  Husband  Wife

Name of Company(ies) \_\_\_\_\_

Type of Insurance \_\_\_\_\_ Pol.# \_\_\_\_\_

Amount and Cash Surrender Value, if any \_\_\_\_\_

Designated Beneficiary(ies) \_\_\_\_\_

Policy of  Husband  Wife

For additional policies, please print or type on reverse side.

**K. JOINT TENANCY ASSETS**

28. Do you own any real or personal property as joint tenants with each other or third parties?  
[ ] Yes [ ] No

If yes, please describe. \_\_\_\_\_

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**L. RETIREMENT BENEFITS**

29. Is either spouse a participant in a retirement plan?  
Husband: [ ] Yes [ ] No  
Wife: [ ] Yes [ ] No

If so, please provide information regarding type of plan, estimated current value, beneficiary designation, etc. \_\_\_\_\_

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**M. GIFTS AND/OR INHERITANCES**

30. Is husband, wife or children likely to receive any gifts or inheritance? [ ] Yes [ ] No  
If yes, please describe: \_\_\_\_\_

31. Does either husband or wife make or intend to make regular gifts to any person?  
[ ] Yes [ ] No

If yes, please describe. \_\_\_\_\_

**N. ASSET SCHEDULE**

32. Please indicate if any asset is separate property of either husband or wife and its approximate current value. As between husband and wife, the separate property assets are usually those owned and paid for prior to marriage, acquired by gift or inheritance.

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This information is very important so as to know if your estate is over or approaching the Federal estate tax exempt amount or the even lower Washington State inheritance tax exemption. Your certified financial planner, certified public accountant and/or life insurance agent may already have your net worth information and you should see him/her before your lawyer appointment and bring your most recent financial statement.

### O. POWER OF ATTORNEY

33. A Durable Power of Attorney is a document which is either effective upon signing or can become effective upon the proven incompetence of an individual to handle his/her own affairs. The value of this document is that it would hopefully avoid the necessity of a guardianship in the event of incompetence.

a) Have you executed a Power of Attorney? If so, please provide a copy.

Wife:      Yes        No    Husband:    Yes        No

b) Do you wish your Power of Attorney to become effective upon signing or upon disability? (Disability is the normal choice)  Disability  Upon signing

c) Attorney-in-fact (your agent/proxy) 1st choice should be your spouse, except in rare circumstances:

1<sup>st</sup> choice: \_\_\_\_\_

2nd choice: \_\_\_\_\_

3rd choice: \_\_\_\_\_

### P. PHYSICIAN'S DIRECTIVE

34. The purpose of the Physician's Directive is to make known the desire of the person signing of his/her wish not to have his/her life artificially prolonged in the case of any irrecoverable injury, disease or terminal condition. Do you want to have such a document prepared or discuss this further?

Husband:  Yes        No

Wife:      Yes        No

**Q. OTHER**

- 35. Organ Donation Information: Do you wish to discuss organ donation at death?  
Husband:  Yes  No  
Wife:  Yes  No
- 36. Funeral/Burial Arrangements: Do you wish to discuss these arrangements at death? If you wish to be cremated, there are special rules that need to be discussed.  
Husband:  Yes  No  
Wife:  Yes  No
- 37. Do you have any other specific provisions or information you would like to discuss or included in the will, such as operation or provision for a family business, etc.?  
Husband:  Yes  No  
Wife:  Yes  No

Please jot down any other concerns or subjects you would like to discuss at the time of your estate planning conference.

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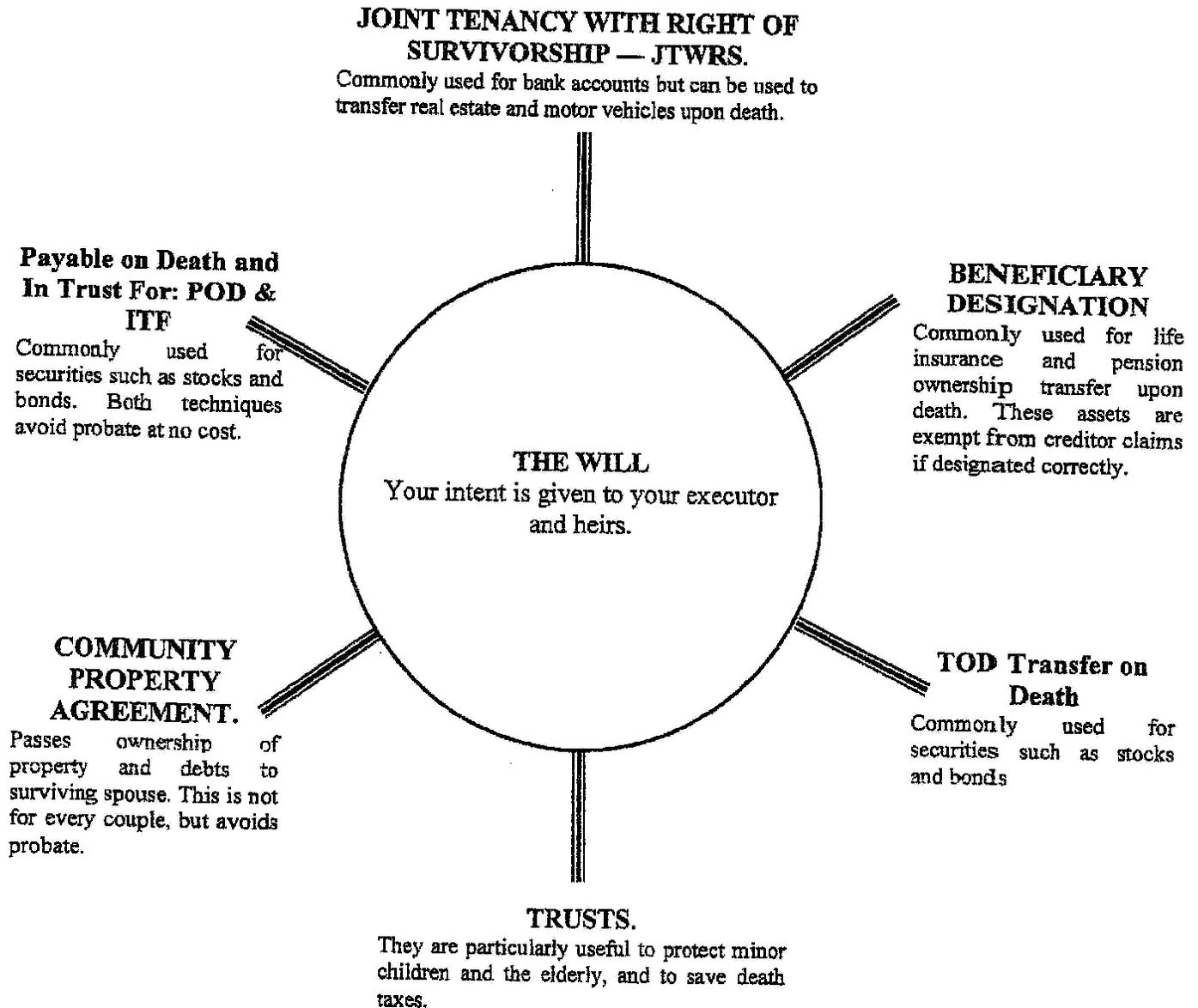
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- 38. **WE RECOMMEND THAT YOU MAKE YOUR OWN DIGITAL ASSETS CHECK LIST BUT WE DON'T WANT TO KEEP IT IN OUR OFFICE FOR YOUR PRIVACY PROTECTION. PLEASE READ OUR CLIENT LETTER PARAGRAPH THAT DISCUSSED THIS CHECK LIST IN MORE DETAIL.**

# The Hub and Spokes of Estate Planning



**CAUTION:** Each of these methods of transferring assets has benefits and drawbacks. You should always consult with your estate planning attorney to determine which method is most advantageous.